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February 23, 2023
Report 2022-113

FACT SHEET

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California Community Colleges

Increasing Full-Time Faculty and Diversity Remains a Challenge

Background

In 1988 state lawmakers established a goal that full-time faculty should deliver at least 75 percent of for-credit instruction in California's community college system, because it recognized the role that access to full-time faculty plays in student success. In recent years, the Legislature appropriated hundreds of millions of dollars for districts to hire full-time faculty to make progress toward this goal. The Legislature recently approved increased funding to further equal employment opportunity (EEO) at districts, in part to improve student access to diverse faculty. The community colleges' Board of Governors bears oversight responsibilities for the system, including reviewing districts' compliance with minimum standards for receiving state funding. In practice, the Chancellor's Office oversees the daily operations of the system, while the board sets policy.

Key Findings

» The Chancellor's Office's calculations show that districts are not making substantial progress toward the goal of full-time faculty providing at least 75 percent of instruction.
  - The Chancellor's Office's current method of determining full-time faculty instruction is unsuitable to measure or drive progress toward the 75-percent goal.
  - The current metric measures faculty members, not actual instructional hours, which demonstrates the need for a new metric.

» Some districts did not properly use the funds for hiring full-time faculty.
  - One district spent some of this special funding on part-time faculty costs.
    – It says that it received inadequate guidance from the Chancellor's Office.
  - Another district left more than $4 million unspent over a four-year period.
    – It says that it is now working to hire additional full-time faculty.

» Increased oversight and guidance could improve districts' ability to hire faculty who reflect the diversity of their students.
  - Despite progress, community college faculty do not reflect the diversity of their students.
    – 47 percent of community college students in California identify as Hispanic, but only 18 percent of faculty identify as Hispanic
  - The Chancellor's Office does not verify whether the districts adequately implement requirements in order to receive EEO funds.

Key Recommendations

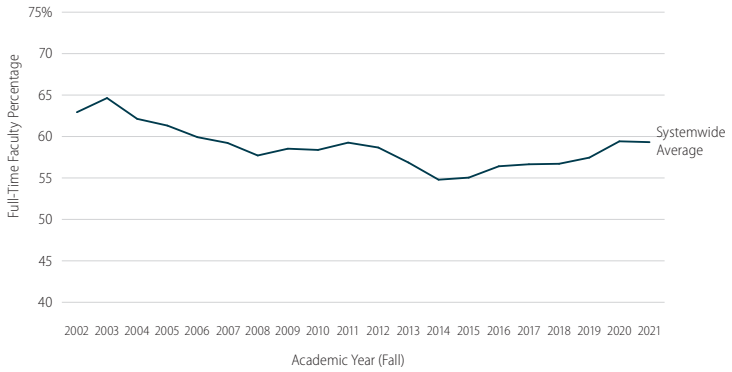
The Chancellor's Office should do the following:

» Implement and report on a metric to calculate full-time faculty instruction and use it to set benchmarks for the amount of instruction at districts.

» Post on its website each district's report on its use of the funds to hire full-time faculty and verify that the districts are using the funds for their designated purpose.

» Regularly determine the most effective and feasible practices for hiring diverse faculty and verify that districts conduct those and other best practices.

The State's goal is to have 75 percent of community college instruction delivered by full-time faculty.



California Community Colleges

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February 23, 2023
2022-113

The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

As directed by the Joint Legislative Audit Committee, my office conducted an audit of the hiring practices of community college districts (districts) in the California Community Colleges' system. Our assessment focused on the use of state funds intended to increase the percentage of for-credit class instruction (instruction) taught by full-time faculty and hiring processes that promote diversity. In general, we determined that the Office of the Chancellor of the California Community Colleges (Chancellor's Office) has not ensured that districts meet legislative goals, use funds for their intended purpose, or implement best practices for hiring a diverse faculty.

We found that the community college districts are not meeting the goal established by state lawmakers more than 30 years ago to have 75 percent of instruction taught by full-time faculty. The Chancellor's Office measures progress toward the goal using a metric that is not suited for the task, and districts have generally not made substantial progress toward the goal during the past 20 years. Our calculations show that the districts' actual percentage of instruction by full-time faculty can sometimes be significantly lower than the current metric suggests. Further, a lack of oversight by the Chancellor's Office allowed some districts to improperly use the funds allocated for hiring full-time faculty.

Although districts have made some progress in hiring diverse faculty, we found that many students still lack sufficient representation of their own racial and ethnic backgrounds in their community college faculty. For example, the gap between the percentage of Hispanic students and Hispanic faculty has remained significant over the past 20 years. Despite continued disparity, the Chancellor's Office has not ensured that districts conduct demographic analyses of job applicants as state law requires, and it has not verified whether districts have adequately implemented required equal employment opportunity (EEO) methods before allocating EEO funding to the districts. We identified a number of best practices that can help districts better address barriers to hiring faculty members who represent the diversity of community college students.

Respectfully submitted,

GRANT PARKS
California State Auditor

Selected Abbreviations Used in This Report

EEO	equal employment opportunity
faculty calculation	percentage of full-time equivalent faculty
FON	faculty obligation number
Foothill-De Anza	Foothill-De Anza Community College District
instruction	for-credit class instruction
Kern	Kern Community College District
Los Rios	Los Rios Community College District
San Diego	San Diego Community College District

Contents

Summary 1

Recommendations 5

Introduction 7

Chapter 1
The Chancellor's Office Should Do More to Monitor Districts' Progress Toward Achieving the State's Full-Time Faculty Goal 15

Chapter 2
Increased Oversight and Guidance Could Improve Districts' Ability to Hire Faculty Who Reflect the Diversity of Their Students 23

Appendix A
Percentages of Students and Instructional Faculty by Ethnicity and Gender at Selected Districts, Fiscal Year 2021–22 33

Appendix B
Instructional Faculty Hiring and Head Count Data for Selected Districts, Fiscal Years 2018–19 Through 2021–22 37

Appendix C
Scope and Methodology 39

Responses to the Audit
Chancellor's Office 43

California State Auditor's Comments on the Response From the Chancellor's Office 57

Foothill-De Anza Community College District 63

California State Auditor's Comments on the Response From Foothill-De Anza Community College District 65

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Summary

Results in Brief

Community colleges perform a valuable role in California's educational system and economy by bridging the gap between high school and university for many students and by providing career-related training for those wanting to enter the workforce. With low-cost tuition and fees, community colleges are a significant source of upward mobility for many Californians. In fact, more than one-third of community college students are the first in their family to attend college. Research shows that students with more access to full-time faculty members are more likely to succeed in school. More than 30 years ago, state lawmakers established a goal to have full-time faculty members provide at least 75 percent of for-credit class instruction (instruction) in California's community colleges. However, the 73 community college districts (districts), which are overseen by the Office of the Chancellor of the California Community Colleges (Chancellor's Office), rarely achieve this goal and, collectively, have not made substantial progress toward it.

Using the Chancellor's Office's calculation of full-time faculty—which, as we describe later, is an inadequate measure of the percentage of instruction performed by full-time faculty—we determined that only 18 districts have ever reached a point where 75 percent of their faculty is full-time, and no district has maintained that level for more than a few years. Further, approximately 20 years ago, that metric showed that the systemwide percentage of full-time faculty was 63 percent, but by 2015 it had decreased to 55 percent. Since that time, despite receiving hundreds of millions of dollars in state funding designated for this purpose, community colleges have been able to increase the proportion of full-time faculty to just 60 percent.

Although the Chancellor's Office believes its current calculation of faculty is a valid way to measure progress toward the 75 percent goal, our analysis shows that it is unsuited for that purpose. In fact, our analysis demonstrates that the actual percentage of full-time faculty instruction at the districts is sometimes much lower than the Chancellor's Office's metric suggests. Some of the differences between the two calculations are that the Chancellor's Office's faculty calculation includes full-time faculty even if they provide no instruction, as may be the case with librarians and counselors, and it includes full-time faculty on certain types of leave. These inclusions could lead to an overestimate of full-time faculty instruction at some districts. Without a valid metric of instruction, the Chancellor's Office cannot adequately monitor or report on progress toward the State's 75 percent goal.

Audit Highlights . . .

Our audit of the hiring practices of districts in the California Community Colleges' system examined the use of state funds intended to increase the percentage of instruction taught by full-time faculty and to implement hiring processes that promote diversity.

- *Districts have not met the long-standing state goal of having 75 percent of instruction taught by full-time faculty.*
- *The Chancellor's Office has not created a valid way to measure districts' progress towards the State's 75 percent goal.*
- *The Chancellor's Office has allocated $450 million in state funds intended to facilitate full-time faculty hiring, but the Chancellor's Office has not ensured that the districts use the funding appropriately.*
- *Districts have made some progress in hiring more diverse faculties, but many students still lack sufficient representation of their own backgrounds among the faculty.*
  - *Districts say that a primary challenge is limited availability of representative applicants in the workforce.*
  - *Eliminating barriers to equal employment opportunity (EEO) and implementing best practices could improve the districts' faculty diversity.*
  - *The Chancellor's Office does not verify whether districts have implemented the EEO best practices for which they have received additional funding.*

To increase the amount of instruction by full-time faculty occurring within community colleges, the Legislature allocated an additional $50 million annually beginning in fiscal year 2018–19 and another $100 million annually beginning in fiscal year 2021–22, bringing the added systemwide funding for this purpose to $150 million per year. However, the Chancellor's Office does not require districts to track and report the use of these funds. In fact, one of the four districts we reviewed knowingly spent some of its funds on part-time faculty costs, which was improper given the funds' purpose. Another district left funds unspent that it could have used to hire more full-time faculty. The other two districts did not track the additional funding separately and cannot demonstrate that the funds were used to create new full-time faculty positions.

Studies also show that students served by a racially and ethnically diverse faculty are better prepared to be competitive in the professional workforce and that instruction from faculty with a background similar to their own can help students from historically underrepresented groups stay enrolled and reach their educational goals. However, community colleges have struggled to close demographic gaps between students and faculty, especially for students who identify as Hispanic.[1] Currently, the percentage of students who identify as Hispanic at community colleges is 47 percent, while the percentage of faculty identifying as Hispanic is only 18 percent. Despite increases in the percentage of faculty who identify as Hispanic, this gap has remained significant for at least 20 years due to greater increases in the percentage of students who identify as Hispanic.

The districts we reviewed assert that a primary challenge to hiring diverse faculty is limited availability of diverse applicants in the workforce. Some districts find that candidates with sufficient educational attainment are rare in their geographic area, while in others the existence of higher-paying positions elsewhere limits the applicant pool for faculty positions. Districts could address potential sources of underrepresentation in their workforce by analyzing demographic patterns in their hiring and other stages of the employment process, as required by state law. State law further directs districts to review the composition of their initial pool of applicants compared to the pool of applicants who are considered qualified for the position. However, just one of the four districts we reviewed conducted this analysis; the remaining three districts did not do so, and the Chancellor's Office did not provide oversight to ensure that they met this requirement. Holding the districts accountable for completing this analysis could help improve the diversity of districts' workforces.

Another way districts can increase the diversity of their faculty is by ensuring that they eliminate barriers to equal employment opportunity (EEO) in their hiring practices. To accomplish this, the Chancellor's Office allocates special EEO funds to districts that certify that they have implemented at least seven of the nine methods the Chancellor's Office has identified for promoting faculty diversity, a group of practices referred to as the *multiple methods*. Although we found that these multiple methods do align with best practices, the Chancellor's Office did not verify whether

[1] The demographic terminology we use in this report is based on the terminology in the data the Chancellor's Office collects.

districts adequately implemented the multiple methods requirements. In fact, we found that all four districts we reviewed were unable to demonstrate adequate implementation of at least one of the methods they claimed to have implemented.

Additionally, the Chancellor's Office is identifying other best practices beyond the multiple methods that can increase faculty diversity in the districts, but it has not always been effective at encouraging districts to implement them. For instance, over the past several years the Chancellor's Office has recommended in various publications that districts establish policies to diversify their hiring committees. However, only two of the four districts we reviewed have done so. Further, we identified additional best practices that districts can adopt, as we describe in Chapter 2. The Chancellor's Office needs to focus its efforts by identifying the most important best practices for increasing faculty diversity and incorporating those practices into its multiple methods process. Because districts must demonstrate that they have implemented seven of the nine methods in their public EEO plans in order to receive EEO funds, they will be more likely to adopt newly identified practices if they are included in the multiple methods.

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Recommendations

The following are the recommendations we made as a result of our audit. Descriptions of the findings and conclusions that led to these recommendations can be found in the chapters of this report.

Chancellor's Office

To monitor districts' progress toward the goal of having at least 75 percent of their hours of instruction provided by full-time faculty, by February 2024, the California Community Colleges Board of Governors and the Chancellor's Office should develop, implement, and report on a metric of instruction that calculates actual instruction hours taught by full-time and part-time faculty.

To ultimately achieve the goal of at least 75 percent of instruction taught by full-time faculty, the Chancellor's Office, by February 2024, should set increasing annual benchmarks for the amount of instruction by full-time faculty at the districts, with the goal of achieving an appropriate target percentage within five years. The Chancellor's Office should also develop a mechanism to promote compliance with its benchmarks.

To ensure that districts appropriately use the funds designated for hiring full-time faculty, the Chancellor's Office should do the following by August 2023:

- Require each district to report to the Chancellor's Office in November of each year on the number of full-time faculty positions filled and maintained with the funds allocated for that purpose in the prior fiscal year, the percentage of the funds used in the prior fiscal year, and the cumulative total of the funds used and unused since the initial allocation in fiscal year 2018–19. Each district should also include in the report its progress toward meeting the goal of at least 75 percent of instruction by full-time faculty.

- Implement a policy to annually synthesize the information from the districts into a systemwide report and post it on its public website by January of the following year.

- Implement a policy to verify that the districts are using the funds for their designated purpose.

To ensure that districts are performing analyses needed to identify and determine the causes of any underrepresentation in the faculty they hire, the Chancellor's Office should, by August 2023, implement a policy to verify that districts conduct the required demographic analyses of their employment processes.

To improve faculty diversity at all districts, the Chancellor's Office should, beginning in fiscal year 2023–24, require districts to implement all of the multiple methods to receive EEO funding, and it should create a process to verify proper implementation of a selection of the methods to ensure compliance and consistency.

To improve faculty diversity at districts, the Chancellor's Office should, by February 2024, implement a policy to regularly determine the most effective and feasible best practices for districts to implement. It should then update its multiple methods process to include those selected best practices when it conducts its evaluation of district EEO plans once every three years.

Agency Comments

The Chancellor's Office believes our audit report does not accurately describe the limitations of its authority to oversee and direct the actions of community college districts and puts too much emphasis on racial and ethnic diversity—the gap between Hispanic students and faculty in particular. The Chancellor's Office agreed to implement some of our recommendations but added that, to implement some of other our recommendations, it would need to revise existing regulations—a process it indicated involves many stakeholders and over which it does not have ultimate control in terms of timing and outcome.

Introduction

Background

California's community colleges enroll about two million students, more than twice as many as the California State University and University of California systems combined. California's 73 community college districts (districts) serve almost every part of the State. According to the Office of the Chancellor of the California Community Colleges (Chancellor's Office), more than one-third of the State's community college students report that they are the first in their family to attend college. Community colleges offer a variety of educational services, including access to apprenticeships and learning English as a second language, and about 60 percent of students have a goal of earning a two-year or four-year college degree.

The 17-member California Community Colleges Board of Governors (board) provides leadership and direction to the districts by carrying out certain responsibilities, including those described in the text box. The board appoints the Chancellor of the California Community Colleges, who acts as the systemwide chief executive officer. The board has granted the Chancellor's Office specific oversight of aspects of the districts' fiscal management, hiring, and budget-reporting practices. In practice, this means that the Chancellor's Office oversees the daily operations of the system, while the board sets policy.

The board's responsibilities include the following:

- Evaluating districts' fiscal procedures and setting standards in hiring.
- Advising and assisting with districts' compliance with state and federal laws.
- Determining minimum standards for districts to receive state funding.
- Reviewing districts periodically to ensure that they meet these minimum standards.
- Allocating state funds to each district.

Source: State law.

Comparison of Full-Time and Part-Time Faculty

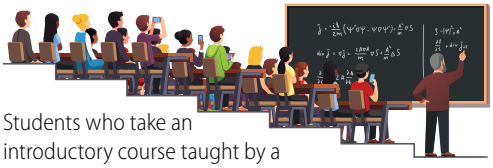
Faculty instructors are hired on either a full-time or part-time basis. Generally, the labels *full-time* and *part-time* are not solely based on the hours spent teaching but rather on the terms of instructors' contracts with the college. Part-time faculty members are classified as temporary employees and generally receive fewer employee benefits. Full-time faculty members are typically hired with the expectation that they will work to achieve tenure, which makes them permanent employees.

Hiring part-time faculty allows colleges more flexibility to quickly meet changing educational demands in certain fields, but part-time faculty also face challenges that make it more difficult to provide the support their students need. Because colleges can hire part-time faculty faster and at less cost than they can hire full-time faculty, they frequently rely on part-time hiring to fill faculty positions in the short term. In 2021 the Chancellor's Office estimated that the average cost for compensation and benefits of a full-time faculty member was about $131,000, whereas the average cost of a part-time faculty member who teaches a full load of 15 credits, but generally would not receive benefits, was about $45,000.

Part-time faculty members have less support from the college than full-time faculty members and are given fewer responsibilities. For example, part-time faculty members typically are not required to hold office hours or to make themselves available to students outside of class time. Many part-time faculty members teach at multiple colleges during the same academic period and thus are less likely to be involved in the activities of a single campus. Figure 1 shows some of the challenges part-time faculty face that make it more difficult for them to adequately support students academically.

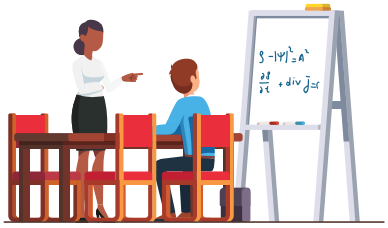
Figure 1
Research Shows Part-Time Faculty Face Barriers to Meeting Students' Needs, When Compared to Full-Time Faculty Members

Part-time instructors are less likely to use high-impact educational practices—which are more likely to engage students—such as referrals to tutoring services.

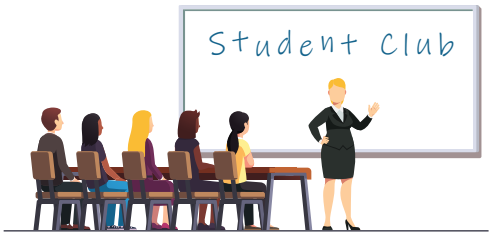


Students who take an introductory course taught by a part-time instructor are less likely to sign up for a second course in the same field.

Part-time instructors are less likely to have a designated office space, making it more difficult to meet with students outside of class.



Part-time instructors are less able to dedicate the same amount of time to advising students.



Part-time instructors may not know their instructional assignments until shortly before the term begins, which may limit their time to prepare course materials.

Sources: Center for Community College Student Engagement, *Contingent Commitments: Bringing Part-Time Faculty Into Focus,* The University of Texas at Austin, Program in Higher Education Leadership, 2014. <https://www.ccsse.org/docs/ptf_special_report.pdf>, accessed on August 8, 2022.

Center for Community College Student Engagement, *Making Connections: Dimensions of Student Engagement (2009 CCSSE Findings),* The University of Texas at Austin, Community College Leadership Program, 2009. <https://www.ccsse.org/publications/national_report_2009/CCSSE09_nationalreport.pdf>, accessed on August 15, 2022.

Florence Xiaotao Ran and Di Xu, *How and Why Do Adjunct Instructors Affect Students' Academic Outcomes? Evidence From Two-Year and Four-Year Colleges: A CAPSEE Working Paper,* Center for Analysis of Postsecondary Education and Employment, January 2017. <https://ccrc.tc.columbia.edu/media/k2/attachments/how-and-why-do-adjunct-instructors-affect-students-academic-outcomes.pdf>, accessed on November 14, 2022.

Ernst Benjamin, *How Over-Reliance on Contingent Appointments Diminishes Faculty Involvement in Student Learning, Peer Review* online, Vol. 5, No. 1, Fall 2002. <https://www.nccft.org/wp-content/uploads/2020/01/How-Over-Reliance-on-Contingent-Appointments-Diminishes-Faculty-Involvement-in-Student-Learning-Association-of-American-Colleges-Universities.pdf>, accessed on August 8, 2022.

In contrast, full-time tenured or tenure-track faculty members provide additional support to students beyond classroom instruction. Full-time faculty members typically hold office hours, giving them additional opportunities to interact with students. They also have the ability to participate in committees to improve the college's quality of education, such as revising curriculum, and they may serve as advisers to student organizations. Research suggests that these types of supports are especially crucial to the success of California's most disadvantaged populations, for whom community college is a major source of social and economic mobility.[2]

Full-Time Faculty Instruction

In 1988 the Legislature passed Assembly Bill 1725, which recognized a goal that full-time faculty should teach at least 75 percent of all hours of for-credit class instruction (instruction) in the California Community Colleges system. The board then created regulations for the districts to use in calculating the percentage of instruction taught by full-time faculty; however, the regulations never were a strict calculation of instruction. The text box details elements of the full-time faculty calculation currently in regulations and shows some instances in which noninstructional activities are included and some instances in which instruction is excluded from the calculation. For example, the calculation includes full-time faculty members who provide no instruction because they are on sabbatical or unpaid leave, and it excludes the workload of faculty replacing faculty on sabbatical or unpaid leave.

The Chancellor's Office believes that a focus solely on the instruction time in the classroom may lead to layoffs of part-time faculty, significantly higher costs, and poorer student outcomes, and that even the full-time faculty measure in the regulations does not recognize that faculty provide educational support and contributions to student success far beyond time in the classroom. These contributions can include ongoing curriculum development, participation in academic work groups and committees, providing library services, and counseling and tutoring supports.

The full-time faculty calculation includes the following:

- Regular assignment: instructional and noninstructional activities of a full-time faculty member.
- Sabbatical: full-time faculty members on sabbatical.
- Unpaid leave: full-time faculty members on unpaid leave as if the faculty member were working full-time.
- Late retirement: full-time faculty members who resigned or retired within 45 days of the previous spring term and whose position has not been replaced by another full-time faculty member.

The full-time faculty calculation excludes the following:

- Overload: any full-time faculty overload assignment, which is an assignment in excess of the normal assignment of a full-time faculty member.
- Replacement: the workload of replacement faculty, whether full- or part-time, who are replacing full-time faculty on sabbatical or unpaid leave, or those who had a late retirement.
- Parcel tax: full-time faculty members funded from temporary local sources, such as special taxes imposed by a community college district.

Source: State regulations.

2 Ernst Benjamin, *How Over-Reliance on Contingent Appointments Diminishes Faculty Involvement in Student Learning, Peer Review* online, Vol. 5, No. 1, Fall 2002. <https://www.nccft.org/wp-content/uploads/2020/01/How-Over-Reliance-on-Contingent-Appointments-Diminishes-Faculty-Involvement-in-Student-Learning-Association-of-American-Colleges-Universities.pdf>, accessed on August 8, 2022.

In addition, each year the Chancellor's Office sets what is called the faculty obligation number (FON), which is the minimum number of full-time faculty members a district must maintain. According to state regulations, the Chancellor's Office is responsible for calculating each district's FON, reporting that information to the districts, and determining whether the districts have maintained or met the previous year's minimum. The board's regulations require the Chancellor's Office to determine, each fiscal year, whether to increase the districts' base FON if there is adequate funding to do so. In addition to the availability of funding, changes in enrollment affect the FON. Generally, when there is a decrease in a district's hours of instruction, the Chancellor's Office reduces that district's FON.

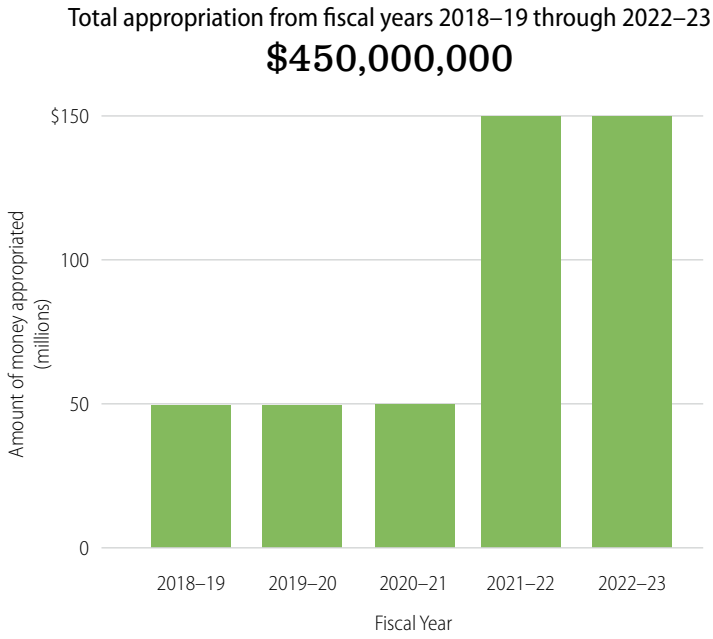
Over the past four fiscal years, community colleges have experienced a decline in enrollment, and state and local funding has remained relatively static. Funding from the state and local sources increased by 8 percent from fiscal years 2018–19 to 2021–22; however, average enrollment decreased by nearly 17 percent since the fall 2019 term, possibly due to the COVID-19 pandemic. Decreasing enrollment has resulted in a lower FON systemwide. As we discuss in Chapter 1, the FON is the principal mechanism the Chancellor's Office uses to direct districts to increase their hiring of full-time faculty. We include data on full-time and part-time faculty hiring in Appendix B.

Additional Funding to Hire Full-Time Faculty

State lawmakers have provided community colleges additional resources for the purpose of hiring more full-time faculty. Beginning in fiscal year 2018–19, the Legislature appropriated an additional $50 million annually to the California Community Colleges for the hiring of full-time faculty, adding another $100 million annually beginning in fiscal year 2021–22, as shown in Figure 2.[3] We focused on the use of these funds during this audit. The Chancellor's Office allocated the funds to districts based on the number of students enrolled. The 2018 Budget Act stated that the funds were intended for districts to increase their percentage of instruction by full-time faculty so they could make progress toward the 75 percent goal. In the 2021 Budget Act, the Legislature similarly directed the additional $100 million to be used by the districts to hire new full-time faculty. In total, the Legislature has allocated $450 million since fiscal year 2018-19 to increase full-time faculty in California's Community Colleges.

[3] The Legislature provided a one-time appropriation of $62 million to the California Community Colleges in fiscal year 2015–16 for hiring full-time faculty, but these funds could also be used to support part-time faculty under certain conditions.

Figure 2
California Community Colleges' Funding Appropriations for Hiring Full-Time Faculty



Source: Budget acts for fiscal years 2018–19 through 2022–23.

In 2021 the Chancellor's Office told the Legislature that additional funding for full-time faculty could allow districts to convert part-time positions to full-time positions, but this statement does not align with districts' hiring practices. Although community colleges may hire full-time faculty from the pool of part-time faculty who have taught at the college before, such hirings do not represent the conversion of teaching positions from part-time to full-time, and none of the districts we reviewed have a procedure for converting part-time positions to full-time positions.

Student and Faculty Diversity

In addition to the benefits of instruction by full-time faculty, community college students benefit from a diverse faculty. State law affirms that a workforce that is responsive to the needs of the State's diverse population may be achieved by ensuring that all persons receive an equal opportunity to compete for employment and by eliminating barriers to equal employment opportunity (EEO). A diverse faculty has been shown to improve educational and professional outcomes for students, but these impacts are especially crucial for closing achievement gaps between the general student population and students from historically underrepresented groups.[4]

4 Robert W. Fairlie et. al., *A Community College Instructor Like Me: Race and Ethnicity Interactions in the Classroom, American Economic Review*, Vol. 104, No. 8, 2014, pp. 2567-91.

Research shows that when students are taught by faculty members who share their identity and experiences, they are more likely to stay enrolled, pass classes, and complete a degree or transfer.[5]

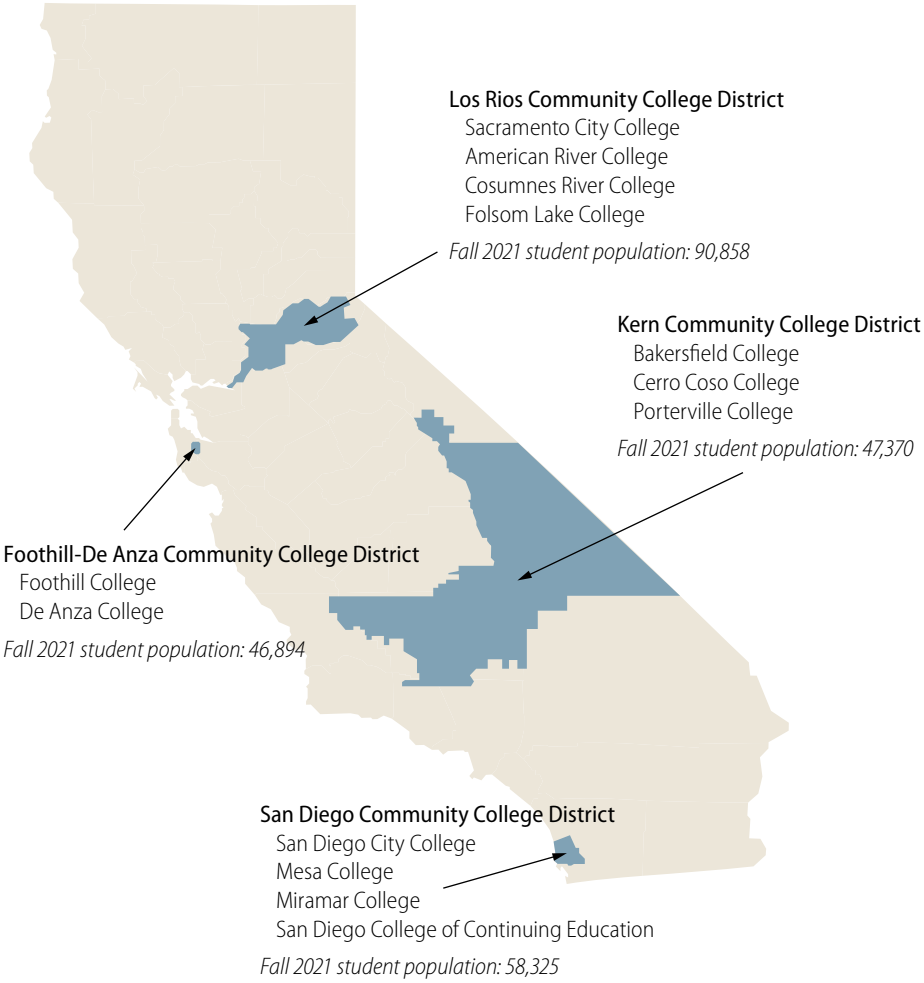
State law requires districts to have EEO plans setting forth practices to provide all qualified individuals the opportunity to compete for hiring and promotion in the California Community Colleges workforce and requires all districts to have an EEO advisory committee. The Chancellor's Office distributes certain funds to the districts specifically for use in implementing EEO practices in hiring and promotion, and state law requires districts to demonstrate that they have used the EEO funds properly. The Chancellor's Office has identified nine EEO best practices for districts to follow, which it calls the *multiple methods*. For example, Method VI involves training hiring committees to avoid bias. The Chancellor's Office divides the available EEO funding evenly among districts that can demonstrate compliance with at least seven of the nine methods. In fiscal year 2021–22, qualifying districts received $50,000 each. The Legislature approved an additional $10 million in EEO funding for fiscal year 2022–23, which amounts to about $140,000 per compliant district.

Selection of California Community College Districts for Our Audit

In June 2022, the Joint Legislative Audit Committee (Audit Committee) directed our office to determine how a selection of districts spent the additional funds for full-time hiring, how these districts' faculty demographic data differed from those of the student population, and how these districts recruit and hire new faculty. For this audit, we examined Foothill-De Anza Community College District (Foothill-De Anza), Kern Community College District (Kern), Los Rios Community College District (Los Rios), and San Diego Community College District (San Diego). Figure 3 shows the location and size of these districts. We chose these districts based on size, location, demographic composition, and current percentage of full-time faculty staffing.

[5] Petra Robinson et al., *Enhancing Faculty Diversity at Community Colleges: A Practical Solution for Advancing the Completion Agenda, Focus on Colleges, Universities, and Schools*, Vol. 7, No. 1, 2013.

Figure 3
We Reviewed Districts of Varying Size and Location as Part of This Audit



Source: District websites and Chancellor's Office data on student population for fall 2021.

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Chapter 1

THE CHANCELLOR'S OFFICE SHOULD DO MORE TO MONITOR DISTRICTS' PROGRESS TOWARD ACHIEVING THE STATE'S FULL-TIME FACULTY GOAL

Key Points

- By the Chancellor's Office's own calculation, which is based on the number of full-time faculty, community colleges are not making progress toward the goal of full-time faculty providing at least 75 percent of instruction.
- We calculated hours of instruction and found that districts may be even further away from the goal than the Chancellor's Office's metric suggests.
- Some districts have not properly used the funds for hiring full-time faculty, and the Chancellor's Office does not have a means to monitor districts' use of the funds.

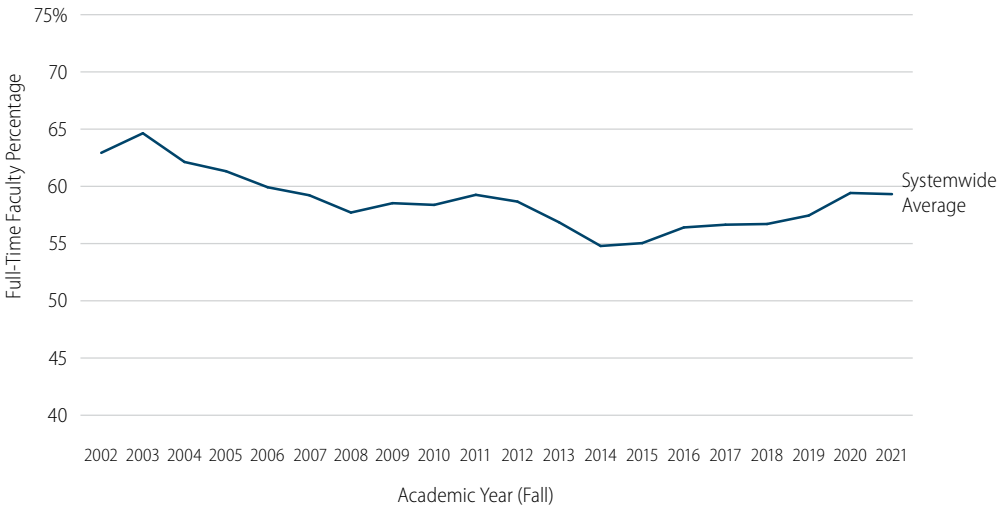
Community Colleges Are Not Meeting the Goal for Instruction by Full-Time Faculty

California's community college districts have not made substantial progress toward the State's goal of having at least 75 percent of the hours of instruction provided by full-time faculty. As noted in the Introduction, full-time faculty are more likely to spend more time with students on activities other than coursework and provide more support outside of the classroom than part-time faculty. This time and support has been shown to improve student success. Despite the Legislature's recognition of the State's goal more than 30 years ago to increase instruction by full-time faculty to at least 75 percent, districts have achieved it only rarely.

The only metric the Chancellor's Office uses to track districts' progress toward the 75 percent goal is a calculation of the percentage of full-time-equivalent faculty (faculty calculation). As we discuss later, this metric is unsuitable for measuring credit instruction. Even so, this metric shows that only 18 districts have reached 75 percent using the faculty calculation since 1999, the first year for which the Chancellor's Office provided data to us. Further, no district has remained at or above 75 percent for more than five years.

In addition, districts overall have not shown substantial progress toward the goal over the last 20 years, as indicated in Figure 4. In 2003 the full-time faculty calculation systemwide was at 65 percent. By 2015 this percentage had declined to 55 percent. With the millions in additional state funding, community colleges increased the full-time faculty calculation percentage to nearly 60 percent in 2021, but this percentage is still below levels that predated the additional funding. This trend indicates that additional state funding to hire full-time staff may be helping but that the system needs to implement additional mechanisms beyond just funding to ensure that the percentage of instruction by full-time faculty within community colleges reaches the levels envisioned by state lawmakers more than 30 years ago.

Figure 4
Districts Do Not Appear to Be Making Progress Toward the 75 Percent Goal



Source: Analysis of Chancellor's Office historical data.

The Chancellor's Office Uses Unsuitable Metrics to Monitor and Measure Full-Time and Part-Time Instruction

The current mechanism the Chancellor's Office uses to regulate full-time faculty staffing levels is not suited to monitor districts' progress toward the State's goal for 75 percent of instruction to be taught by full-time faculty. As determined by the Chancellor's Office, the FON is the minimum amount of full-time faculty staffing a district must employ each year, and districts that do not meet the FON have their revenue reduced. However, as we discuss in the Introduction, adjustments to the FON are based on changes in funding and enrollment. As such, the overall FON has actually decreased slightly over the last 20 years. Districts are continually employing more full-time faculty than is mandated by the FON but are still not reaching the 75 percent goal. Although the Chancellor's Office asserted that its use of the FON, alongside monitoring of the faculty calculation percentage, is sufficient to fulfill its responsibility to provide oversight of the districts' progress toward the State's 75 percent goal, the FON is not sufficient to guide districts toward the goal and does not accurately measure progress toward that goal.

To create benchmarks to incrementally increase the percentage of instruction by full-time faculty, the Chancellor's Office will need to develop an accurate way to measure it. Although the Chancellor's Office believes its current faculty calculation is a valid way to measure progress toward the 75 percent goal, our analysis shows that it is not suited for that purpose. The current faculty calculation is generally based on the number of full-time faculty districts employ, not on the percentage of instruction taught by those faculty. For example, the faculty calculation includes noninstructional faculty—such as counselors and librarians—and noninstructional activities, such as developing curriculum. Furthermore, the calculation counts faculty members who are on certain types of leave,

but it does not count the instructional time of faculty who replace them. Table 1 shows some common examples of faculty at community colleges and compares how they are tabulated within the existing faculty calculation to our calculation that solely measures credit instruction. Because the faculty calculation includes noninstructional activities and noninstructional faculty members, it may overstate the percentage of credit instruction offered by full-time faculty.

Table 1
The Chancellor's Office's Faculty Calculation Measures the Number of Full-Time Faculty at a District, While an Additional Metric Would Measure Instruction by Full-Time Faculty

	THE FACULTY CALCULATION CURRENTLY IN USE		OUR INSTRUCTION CALCULATION	
TYPE OF FACULTY AND AMOUNT OF CREDIT HOURS	**FULL-TIME**	**PART-TIME**	**FULL-TIME**	**PART-TIME**
Full-time faculty teaching 15 credit hours *An assignment of 15 credit hours is assumed to be full-time for the purpose of demonstration.**	15	–	15	–
Full-time faculty teaching 9 credit hours *An assignment of 9 credit hours is assumed for the purpose of demonstration. The faculty calculation includes all credit-based instructional hours and noninstructional activities associated with full-time faculty assignments at a college.*	15	–	9	–
Full-time faculty not assigned to instruction *The faculty calculation defines full-time faculty to include a variety of positions, including librarians, counselors, and health service professionals.*	15	–	–	–
Part-time faculty replacing full-time faculty on leave *The faculty calculation counts full-time faculty members on unpaid leave, reassigned time, or sabbatical and excludes the workload of the replacement faculty member.*	15	–	–	15†
Full-time faculty teaching 18 credit hours *The faculty calculation excludes any credits taught by full-time faculty that are considered overload.*	15	–	18	–
Part-time faculty teaching 9 credit hours *The faculty calculation includes the instructional and noninstructional activities of part-time faculty, with certain exceptions.‡*	–	9	–	9

Source: State law, Legislative Analyst's Office analysis, district union contracts, and data from selected districts.

* The faculty calculation for full-time faculty is based in part on the instructional hours per week considered to be a full-time assignment for instructional employees within a district. According to the Legislative Analyst's Office, districts generally require full-time faculty to teach 15 units or credit hours.

† Full-time faculty on leave can be replaced by either part-time or full-time faculty members. If the replacement faculty member is full-time, our instruction calculation would classify that as full-time instruction.

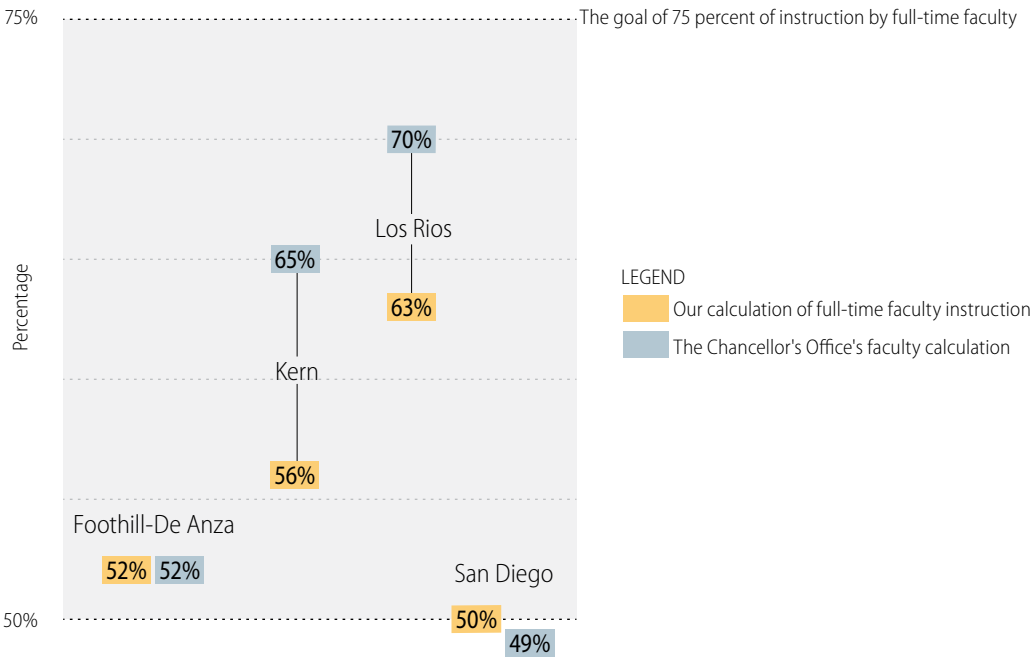
‡ Exceptions include instances such as when part-time faculty are replacing full-time faculty on sabbatical, reassigned time, released time, or unpaid leave.

For the four districts we reviewed, we calculated instruction taught by full-time faculty and determined the difference between this metric and the Chancellor's Office's faculty calculation. Our calculation of the percentage of instruction by full-time faculty identifies all for-credit classes at each selected district, the number of credit hours for

each of those classes, and then determines the percentage of credit hours that were taught by full-time instructors. Our calculation does not include the noninstructional activities of any full-time faculty members who did not teach a credit class in the district, which includes the work of support faculty such as counselors and librarians.

As indicated in Figure 5, the differences between our instruction calculation and the community colleges' faculty calculation were large in two instances and small in two others. For instance, Kern's percentage of instruction by full-time faculty was 56 percent using our methodology, 9 percentage points lower than its 65 percent faculty calculation would indicate. The faculty calculation percentages for Foothill-De Anza and San Diego, on the other hand, were very similar to our calculations of the percentage of instruction by full-time faculty in those districts. This sort of unpredictable variation further demonstrates why, despite the claims of the Chancellor's Office, the faculty calculation is not an accurate metric of whether districts are meeting or progressing toward the State's goal that full-time faculty should provide at least 75 percent of all hours of credit instruction. Although the faculty calculation is useful for implementing the FON, it does not represent the percentage of credit instruction. By adopting an accurate metric and creating benchmarks for full-time faculty instruction levels, the Chancellor's Office could better monitor and drive progress toward the State's goal.

Figure 5
Data From Fiscal Year 2021–22 Show That the Chancellor's Office's Faculty Calculation Is Not an Accurate Measure of Instruction



Source: Data from selected districts and the Chancellor's Office.

Some Districts Did Not Properly Use the Funds the Legislature Allocated for Hiring Full-Time Faculty

The districts we reviewed asserted that they would need additional funding to reach or remain at the 75 percent goal. However, the districts did not always spend the funds designated for hiring full-time faculty as required by law nor have they consistently used the funds to fill as many full-time faculty positions as possible. As we describe in the Introduction, since fiscal year 2018–19, the Legislature has provided designated funds for hiring new, full-time faculty members. Table 2 shows the amounts allocated in each fiscal year to the four districts we reviewed. Two of the districts we reviewed did not always use the funds properly. Further, the remaining two districts' methods for spending and tracking the funds did not provide adequate assurance that they had used the funds as intended.

Table 2
Over the Past Five Fiscal Years, the Four Districts We Reviewed Received Allocations of Funds to Hire Full-Time Faculty

	FISCAL YEAR				
DISTRICT	**2018–19**	**2019–20**	**2020–21**	**2021–22**	**2022–23**
FOOTHILL-DE ANZA					
First allocation	$1,087,522	$1,087,522	$1,087,522	$1,087,522	$1,087,522
Second allocation	–	–	–	2,634,773	2,634,773
Total	**$1,087,522**	**$1,087,522**	**$1,087,522**	**$3,722,295**	**$3,722,295**
KERN					
First allocation	1,001,192	1,001,192	1,001,192	1,001,192	1,001,192
Second allocation	–	–	–	2,487,651	2,487,651
Total	**$1,001,192**	**$1,001,192**	**$1,001,192**	**$3,488,843**	**$3,488,843**
LOS RIOS					
First allocation	1,968,305	1,968,305	1,968,305	1,968,305	1,968,305
Second allocation	–	–	–	5,017,282	5,017,282
Total	**$1,968,305**	**$1,968,305**	**$1,968,305**	**$6,985,587**	**$6,985,587**
SAN DIEGO					
First allocation	1,922,450	1,922,450	1,922,450	1,922,450	1,922,450
Second allocation	–	–	–	3,025,628	3,025,628
Total	**$1,922,450**	**$1,922,450**	**$1,922,450**	**$4,948,078**	**$4,948,078**

Source: Districts' monthly payment schedules for fiscal years 2018–19 through 2022–23.

In the first year of each appropriation, fiscal years 2018–19 and 2021–22, respectively, Foothill-De Anza inappropriately spent some of the funds on part-time faculty costs. In fiscal year 2018–19, it spent at least $378,000 of its $1.1 million on part-time faculty. In fiscal year 2021–22, it spent $2.6 million, representing its entire portion of the additional funds that the Legislature appropriated beginning in that fiscal year, on part-time faculty expenses. Foothill-De Anza explained that it did so because using the funds to hire full-time faculty in the first year of the respective allocations

would have been problematic because it can take up to a year to hire full-time faculty. The district believed that the Chancellor's Office had given guidance that the funds should be used for other instructional costs if a district was unable to hire new full-time faculty in the first year. Further, the district stated that it used the funding in good faith for instructional purposes until it could hire full-time faculty.

However, expending the funds on part-time faculty was improper. The budget act required districts to use the funds to hire new full-time faculty. In addition, we reviewed the guidance issued by the Chancellor's Office in fiscal memos in 2018 and 2021, and in both instances the guidance was clear that districts were expected to use the funds to hire new full-time faculty. Although Foothill-De Anza improperly spent the funds on part-time faculty costs in the first year of each allocation, it has subsequently used the funds for their intended purpose. In fiscal year 2019–20, Foothill-De Anza used the funds to fill 12 full-time faculty positions, and it later filled an additional two positions. As of September 2022, it had filled 15 of 22 new budgeted positions that will begin incurring costs in fiscal year 2022–23. However, the fact that the district initially used the funds improperly raises the possibility that other districts may have done so as well.

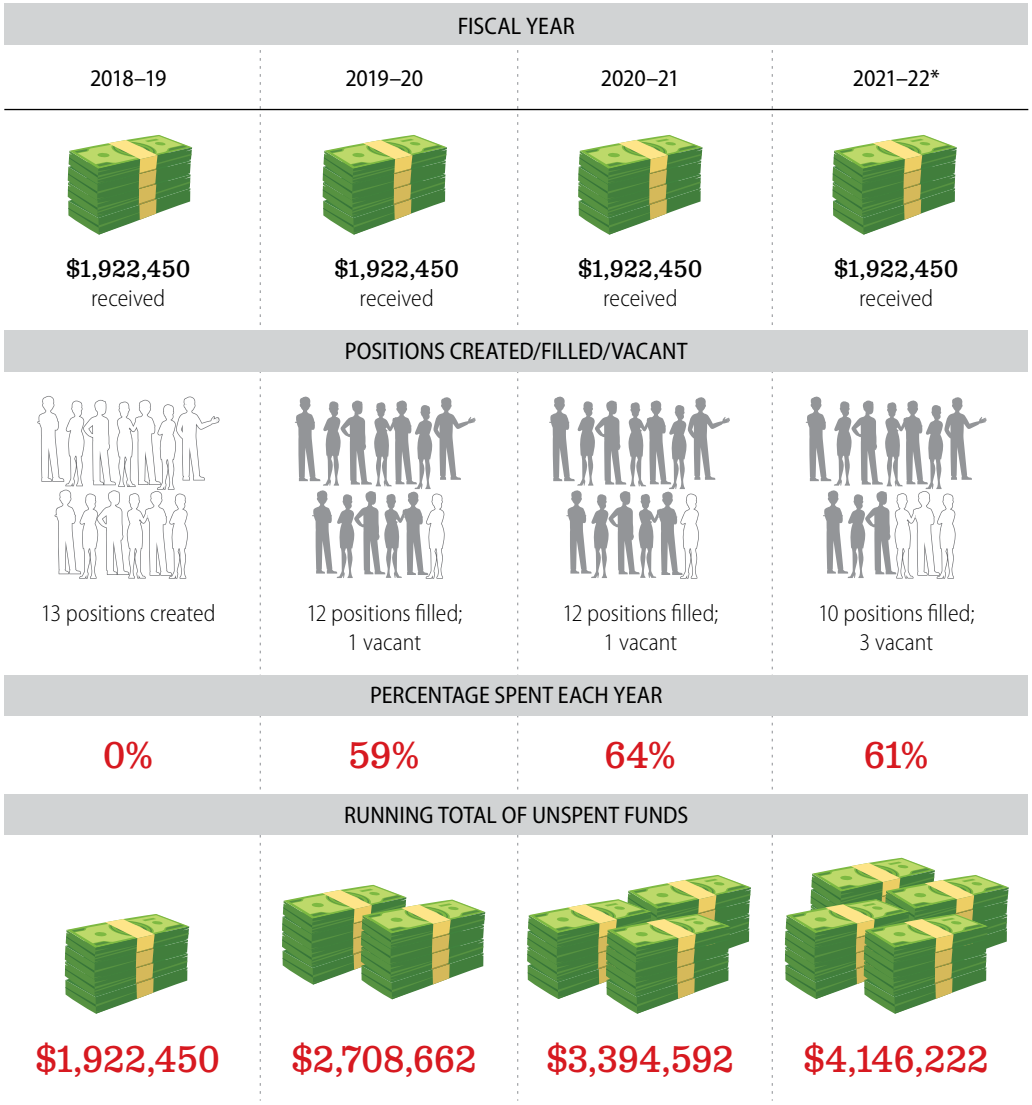
Another district we reviewed, San Diego, left funds unspent that it could have used to hire more full-time faculty. As Figure 6 shows, San Diego created 13 new full-time faculty positions with the fiscal year 2018–19 allocation. However, the costs for these positions have never exceeded 65 percent of the $1.9 million allocation it received each year. Consequently, about $4 million in unspent funds have accumulated over the past four fiscal years. San Diego did not notice the large percentage of unused funds until we conducted our audit. San Diego stated that, due to inadequate tracking of the positions by its human resources division, it neglected to reassess whether it could have funded more positions. It now plans to create and fill an additional four positions with those funds. San Diego has already created 25 new positions with the additional $3 million allocation it began receiving in fiscal year 2021–22. Nevertheless, San Diego will need to ensure that it monitors the positions and their actual costs to avoid having unused funds that should have been used to create and fill more positions.

Unlike San Diego and Foothill-De Anza, neither Kern nor Los Rios can demonstrate that the funds were used to create new full-time faculty positions. Both districts asserted that they sufficiently demonstrated that they used the funding to hire full-time faculty by showing that the costs of all full-time faculty hired over the past four fiscal years exceeded the allocations they had received. However, because the funds go into each district's unrestricted general fund, and neither district tracks the use of these funds separately, Kern and Los Rios could not prove that they had been used to create new full-time faculty positions.

Requiring districts to report on how they used the funds would allow the Chancellor's Office to monitor districts and would give the Legislature assurance that the districts were fully and appropriately using the funds to hire full-time faculty.
We reviewed only four districts for our audit; however, the lack of accountability means the Chancellor's Office cannot know whether the remaining districts also left funds unspent or used funds inappropriately. For districts like San Diego, which

experienced problems in tracking the use of the funds and left funds unspent, an annual reporting mechanism would require the districts to stay apprised of the funds' status. Further, requiring the districts to report on how many positions they have created and are maintaining with the funds would give the Chancellor's Office additional assurance that districts such as Kern and Los Rios, which do not tie the funds to specific positions, have indeed used the funds to increase the percentage

Figure 6
San Diego Has Not Maximized Its Use of the First Funding Allocation That Began in Fiscal Year 2018–19



Source: Analysis of San Diego financial documents, board of trustees agendas, and community college district apportionment reports.

* The analysis presented here concerns only San Diego's use of the allocation that began in fiscal year 2018–19, and thus we do not include the separate allocation that began in fiscal year 2021–22.

of instruction by full-time faculty. The Chancellor's Office agreed that required reporting would provide greater transparency and allow it to monitor whether districts are leaving funds unspent or potentially misusing funds.

Please refer to the section beginning on page 5 to find the recommendations that we have made as a result of these audit findings.

Chapter 2

INCREASED OVERSIGHT AND GUIDANCE COULD IMPROVE DISTRICTS' ABILITY TO HIRE FACULTY WHO REFLECT THE DIVERSITY OF THEIR STUDENTS

Key Points

- Community colleges struggle to recruit diverse faculty, especially representing the Hispanic community, asserting challenges with workforce availability.
- Despite the potential effectiveness of its nine methods for improving diversity, the Chancellor's Office has required districts to implement only seven of these methods and does not verify whether districts have implemented the methods they claim to be using.
- The Chancellor's Office has identified a number of other best practices for increasing diversity, but districts have not implemented them.

Faculty at California Community Colleges Do Not Sufficiently Reflect the Diversity of Their Students

As we discuss in the Introduction, studies cited by the Chancellor's Office show that students, especially those from historically underrepresented groups, who are served by a racially and ethnically diverse faculty are better educated and better prepared to be competitive in the professional workforce. Nevertheless, community colleges struggle to close demographic gaps between students and faculty. For example, as indicated in Table 3, 47 percent of community college students in California identify as Hispanic, but roughly 18 percent of faculty identify as Hispanic.

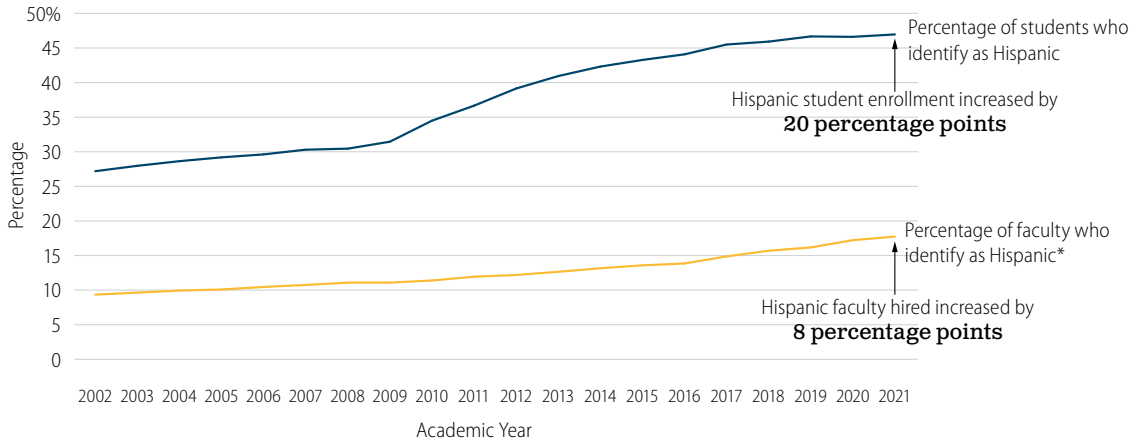
Table 3
Systemwide Differences Between Faculty and Student Demographics Highlight the Representation Gap for Hispanic Students at California Community Colleges

	STUDENT PERCENTAGE	FACULTY PERCENTAGE*	GAP
Hispanic	47.0%	17.7%	**29.2%**
Multi-Ethnicity	4.1	1.5	**2.6**
Asian	13.6	11.0	**2.6**
Pacific Islander	0.4	0.5	**-0.1**
American Indian/Alaskan Native	0.3	0.6	**-0.3**
African-American	5.4	5.9	**-0.5**
Unknown	4.9	7.0	**-2.1**
White Non-Hispanic	24.3	55.8	**-31.5**

Source: The Chancellor's Office's Data Mart, 2021 academic year.
Note: Some percentages do not add up to 100 due to rounding.
* Includes noninstructional faculty, such as librarians and counselors.

Although the community colleges have made progress in hiring more Hispanic faculty, that progress is not enough to create a faculty representative of the student body. As we show in Figure 7, over the past 20 years, the gap between the percentage of faculty who identify as Hispanic and the percentage of students who identify as Hispanic has remained significant. This gap is not because the colleges are not hiring Hispanic faculty. In fact, the community colleges have nearly doubled the percentage of faculty identifying as Hispanic over the past 20 years. However, the percentage of students identifying as Hispanic has increased more than the percentage of Hispanic faculty over that time. Although demographic differences between students and faculty are not necessarily evidence of improper hiring activity or discrimination, they highlight that districts have further to go in hiring faculty that represent their students.

Figure 7
California Community Colleges Have a Significant Gap Between the Percentage of Faculty and the Percentage of Students Who Identify as Hispanic



Source: The Chancellor's Office's Data Mart.

* Includes noninstructional faculty, such as librarians and counselors.

Three of the districts we reviewed are not meeting a requirement that would enable them to address potential sources of underrepresentation in their workforce, and the Chancellor's Office has not held districts accountable for not meeting this requirement. Under state law, districts must determine whether underrepresentation resulting from factors that are not job-related exist in their employment processes, including recruitment, application, hiring, retention, and promotion, and they must implement strategies to address these factors. Current and previous state law further directs districts to review the composition of their initial pool of applicants compared to the pool of applicants who are considered qualified for the position. Of the four districts we examined, only Los Rios was able to provide documentation showing that they performed this analysis. The other three districts stated that due to logistical challenges—a changeover in data systems at Kern, ongoing staff shortages in human resources at Foothill-De Anza, and COVID-related disruptions

at San Diego—they had not been able to conduct this analysis during our audit period. According to the general counsel at the Chancellor's Office, the office did not hold districts accountable for not conducting this analysis due to a lack of resources within the Chancellor's Office. The Chancellor's Office has previously stated that eliminating potential barriers to recruitment and hiring can ensure that a broader range of individuals have a fair chance at employment, and that data analysis is an important tool for districts to identify those barriers. The Chancellor's Office says it is dedicating additional resources toward verifying that districts are conducting this required analysis. Holding the districts accountable for completing this analysis can help them make sure they are addressing potential underrepresentation throughout the employment process, and it would give them additional support for hiring a diverse faculty.

All four districts we reviewed identified a lack of potential qualified applicants, or *workforce availability*, as a significant barrier to recruiting a diverse faculty. A vice-chancellor at Los Rios, for example, said that a primary challenge to hiring diverse faculty is generational differences in educational attainment; that is, there are larger numbers of Hispanic students currently pursuing higher education than Hispanic people who have already achieved the education needed to teach at a community college. Census data shows that educational attainment varies significantly among different racial and ethnic groups statewide. A faculty position at a California community college generally requires a master's degree in the area of instruction; thus, the workforce from which community colleges can currently hire faculty may have significant disparities in educational attainment among certain racial and ethnic groups in certain geographic areas. For example, in Kern County the percentage of the Hispanic population with a bachelor's degree is just over half the percentage of the Hispanic population with a bachelor's degree statewide. Foothill-De Anza is in Santa Clara County, where educational attainment is relatively high, but the district asserted that the region's high cost of living, competitive labor market, and high-paying jobs in nearby private industry pose significant recruitment challenges. Although each region faces its own unique challenges, all districts we reviewed said they struggle with a lack of workforce availability.

In addition to workforce availability challenges, the districts cited various other barriers to the development of a faculty that represents their student body, including slow faculty turnover and differences between full-time and part-time hiring processes. Students at community colleges closely reflect the diversity of the State as it exists today, but, according to a vice-chancellor at San Diego, the composition of today's faculty workforce reflects hiring decisions made two or three decades ago. He stated that tenured faculty turnover is often low, sometimes less than 10 percent per year, meaning that it will take time for the demographics of tenured faculty to change. Additionally, full-time and part-time faculty are subject to different hiring processes, which may lead to differences in representation between the two groups.

According to the same San Diego vice-chancellor, time pressure when hiring part-time faculty leads colleges to hire people with whom they are already familiar, which tends to reinforce existing demographics. Because districts often draw from their part-time faculty when hiring full-time faculty, practices that increase diversity among part-time hires in the short term can encourage diversity among applicants

for full-time positions in the long term. While the challenges outlined above would slow the development of a faculty representative of a student body, a greater focus on practices to improve faculty diversity, as we discuss in the next section, would help districts overcome these obstacles.

The Chancellor's Office Has Not Ensured That Districts Employ Best Practices for Promoting Faculty Diversity

The Chancellor's Office does not provide sufficient oversight to ensure that districts adequately implement nine methods, which it calls *multiple methods*, to promote faculty diversity. The Legislature has stated that academic excellence can best be sustained in a climate of acceptance that is prepared to provide service to an increasingly diverse student population, and that a workforce that is continually responsive to the needs of a diverse student population may be achieved in part by eliminating barriers to EEO. *According to a 2020 Chancellor's Office report, workforce diversity affects student and employee retention, reduces the likelihood of implicit bias, and increases the faculty's ability to teach in a multiculturally effective way. Further, diversity is a driver for increasing student achievement.*

To promote faculty EEO and therefore faculty diversity, the Chancellor's Office established a process for allocating EEO funds to districts by requiring the districts to implement the multiple methods. As we indicate in Table 4, each method includes at least one element a district can implement to demonstrate its compliance with that method. Although the Chancellor's Office's deputy counsel asserted that these methods can significantly assist a district's diversity efforts, the Chancellor's Office currently requires implementation of only seven of the nine methods.

These methods provide benefits to districts in improving faculty diversity. For example, a best practice that districts may use to satisfy Method IX is maintaining various programs to support newly hired employees, such as professional development. To satisfy Method IX, Los Rios runs an internship program that provides learning opportunities for faculty interns from diverse backgrounds. According to the Chancellor's Office 2022 EEO handbook, the internship program is designed to recruit qualified faculty who mirror the racial and ethnic diversity of the district's service area. Los Rios provided program information indicating that over 33 percent of the selected interns in fiscal year 2019–20 identified as Hispanic—a population underrepresented among the community colleges' faculty when compared to the demographics of the community colleges' student population. Of the 936 interns who have completed the program in the past 22 years, the district hired approximately 29 percent as part-time faculty and 14 percent as tenure-track faculty. Although these results may appear modest, the internship program offers a potential pipeline to attract, train, and hire faculty from diverse backgrounds. In contrast, Foothill-De Anza is not required to and chose not to implement Method IX, and neither of the district's colleges offer an internship program applicable to Method IX. As a result this district and potentially others like it are missing opportunities to utilize programs that are optional but that, according to the Chancellor's Office 2022 EEO handbook, have proven to be effective at increasing diversity among faculty.

Table 4
The Chancellor's Office Requires Each District to Comply With Method I and Any Six of the Remaining Eight Methods to Qualify for EEO Funding

METHOD #	MULTIPLE METHODS	SUMMARY OF BEST PRACTICES DISTRICTS CAN IMPLEMENT UNDER EACH METHOD	
I	Submission of EEO plan	Submit an EEO plan to the Chancellor's Office.	**Mandatory to qualify for EEO funding**
	EEO advisory committee	Establish a committee to develop and implement its EEO plan.	
	Submission of reports	Submit an EEO funds expenditure report to the Chancellor's Office.	
Each district must certify that it meets at least six of the remaining eight methods to qualify for EEO funding			
II	Board policies and adopted resolutions	Ensure that its board of trustees receives training on the elimination of bias in hiring.	
		Ensure that its mission statement conveys a commitment to diversity.	
		Maintain curricula to expand the global perspective.	
		Address issues of inclusion.	
III	Incentives for hard-to-hire areas	Conduct analysis of district hiring, retention, and promotion data over a period of years.	
IV	Focused outreach and publication	Conduct campus climate surveys and use the survey information.	
		Provide cultural awareness training.	
		Maintain updated job descriptions.	
		Ensure that its publications and website convey diversity.	
		Ensure that its mission statement conveys a commitment to diversity.	
V	Procedures for addressing diversity throughout hiring steps	Conduct exit interviews, analyze interview data for patterns, and use this information.	
		Promptly and thoroughly investigate all complaints.	
		Require applicants to demonstrate understanding of the diverse student background.	
		Attempt to gather and use information from applicants who decline job offers.	
VI	Training for hiring committees	Provide training on elimination of bias in hiring.	
		Promptly and thoroughly investigate all complaints.	
VII	Professional development focused on diversity	Maintain a variety of programs, such as mentoring, to support newly hired employees.	
		Promptly and thoroughly investigate all complaints.	
		Have staff members serve as resources for other districts.	
VIII	Diversity incorporated into criteria for employee evaluation and tenure review	Conduct exit interviews, analyze interview data for patterns, and use this information.	
		Conduct analysis of district hiring, retention, and promotion data over a period of years.	
IX	Grow-your-own programs	Maintain a variety of programs, such as mentoring, to support newly hired employees.	

Source: The Chancellor's Office website.

According to the Chancellor's Office's then-deputy counsel, the Chancellor's Office did not initially require compliance with all nine methods because of differences in administration sizes, resources, and EEO knowledge among the districts. The

Chancellor's Office's goal was to gradually increase the compliance requirements over time. An executive at the Chancellor's Office asserted that districts now have more resources and time to implement these best practices than they did in 2015 and that all nine methods are now realistic expectations for the districts. Until the Chancellor's Office requires districts to implement all of the multiple methods, the districts may be missing opportunities to promote equal opportunity in its hiring of faculty.

The Chancellor's Office has awarded EEO funds to districts without verifying whether they adequately complied with the multiple methods requirements. Currently, the Chancellor's Office awards EEO funding to districts on the condition that they submit an annual certification form declaring that they have implemented seven of the multiple methods. However, according to its deputy counsel, the Chancellor's Office does not verify whether or to what extent the districts carried out the methods they claimed to have implemented. For fiscal year 2022–23, the Legislature greatly increased the EEO funds appropriation by an additional $10 million, bringing the total EEO funding award to $12.8 million. *However, without verifying that the districts receiving this money have fully implemented the methods they list on their certification forms, the Chancellor's Office cannot ensure that the districts are making the progress necessary to promote diversity.*

This lack of oversight allowed districts to do less than they should to promote faculty diversity. We reviewed the explanations each of our selected districts submitted with their certification form describing the methods they implemented and how they did so. In doing so, we identified seven instances at the four districts where support for a method appeared inadequate. In each case, the district confirmed that it had not implemented that method in accordance with the Chancellor's Office's multiple methods guidance, with Foothill-De Anza attributing this to the Chancellor's Office's lack of guidance for the implementation of the multiple methods.

For example, Method VIII is intended to incorporate diversity into employee evaluations and tenure reviews, and it recommends in part that districts either conduct analyses of various employment events, such as hiring and promotion, or review exit interview data over time. According to the Chancellor's Office, analyses of such employment data may help districts to identify when non-job-related factors result in a significant underrepresentation of certain ethnic groups. The Chancellor's Office created the *Vision for Success* Diversity, Equity and Inclusion Task Force (equity task force) in part to focus on addressing faculty diversity. The equity task force has asserted that analyses of robust exit interviews allow districts to address specific concerns regarding workplace culture. San Diego does not conduct districtwide exit interviews but certified that it complied with Method VIII in fiscal year 2021–22 through its employment data analysis. However, since its analysis did not include employee evaluation and tenure review data, its vice-chancellor confirmed that the district could not determine whether members of any specific group suffered disproportionate adversity once they were hired. The district agreed that it did not meet the intent of the method. It stated that including such data in its analysis would be valuable and that it will do so and establish an exit interview process in the future. Given the problems we identified with implementation of the

multiple methods and the lack of Chancellor's Office review, there is heightened risk that other districts are receiving EEO funds and not implementing programs intended to improve diversity.

The lack of additional EEO oversight from the Chancellor's Office has even greater significance due to the recent increase in EEO funding. According to its deputy counsel, the Chancellor's Office has not come up with practical ways to verify districts' compliance with the multiple methods due to its lack of resources and positions to dedicate to this time-intensive work. However, state law designated a portion of the EEO funds to be set aside to provide monitoring, among other administrative functions. Under its authority to monitor the use of the EEO funds, the Chancellor's Office is responsible for ensuring that only districts that adequately comply with the multiple methods requirements receive the funds. In addition, an amendment to the state regulation that became effective in October 2022 gives the Chancellor's Office a 90-day period to review and comment on each district's EEO plan. Given this new review period, its deputy counsel explained that the Chancellor's Office can potentially provide oversight by verifying the initial implementation of a selection of methods upon the submission of a district's EEO plan. The Chancellor's Office stated that it plans to monitor districts' documentation of their progress in implementing the multiple methods through the districts' annual certifications as well.

The Chancellor's Office Has Not Been Effective at Encouraging Districts to Implement Additional Best Practices for Improving Diversity

The Chancellor's Office recognizes that districts need to adopt additional practices that can improve faculty diversity and has communicated such practices to the districts, but the districts have not always implemented them. For example, in its 2022 EEO handbook, the Chancellor's Office states that a diverse hiring committee with various perspectives and differences in thoughts will yield a better outcome and indicate commitment to diversity in hiring. The Chancellor's Office had made a similar recommendation in its 2016 EEO handbook. Additionally, in September 2019 and November 2020, the equity task force that was discussed in the previous section recommended best practices districts could take to diversify their hiring committees.

However, only two of the four districts we reviewed, Los Rios and Foothill-De Anza, have districtwide policies to diversify their colleges' hiring committees. Kern and San Diego do not yet have such policies; however, San Diego's vice-chancellor for human resources stated that the district is working on adopting a policy already developed by one of its colleges. The equity task force has asserted that when screening and interview committees lack diverse perspectives, the committees are less likely to prioritize the ability to serve diverse communities as a core requirement for successful job performance; when applicants do not see their characteristics represented by current employees during the selection process, they may perceive the institution as not being inclusive and not valuing their cultural background. Thus, adopting a practice of having diverse hiring committees could help districts attract a pool of applicants that is more qualified to serve a diverse student body.

As part of this audit, we identified additional best practices for increasing diversity in hiring. Table 5 lists those practices and the extent to which the four districts we reviewed have adopted them. In general, the Chancellor's Office has communicated information on these practices to the districts, but the districts have not always implemented them. For example, only two districts involve affinity groups in the hiring process, and none have attempted a concept called *cluster hiring*. *Affinity groups* are groups typically constructed around similarities that employees share, which can include race or ethnicity. Both Los Rios and Foothill De-Anza have reached out to Latinx affinity groups to share information on recruitment. In contrast, neither Kern nor San Diego currently has race- or ethnicity-focused affinity groups. Kern's vice-chancellor for human resources noted that the district does have a districtwide EEO group focused on increasing diversity in recruitment, and San Diego's vice-chancellor for human resources stated that the district is working on establishing affinity groups.

Table 5
We Identified Some Potentially Effective Best Practices for Increasing Districts' Ability to Hire Diverse Faculty That Some Districts Have Not Yet Adopted

			DISTRICT			
	POTENTIAL BEST PRACTICE	PROMOTED BY THE CHANCELLOR'S OFFICE	LOS RIOS	SAN DIEGO	KERN	FOOTHILL-DE ANZA
PRE-HIRING	Use internship programs to recruit a diverse group of prospective community college educators	Yes	✓	✓	✓	X
	Involve affinity groups in the recruitment process	Yes	✓	X	X	✓
	Demonstrate an established commitment to working with underrepresented minority groups as minimum application requirement	Yes	✓	X	✓	✓
HIRING	Establish policies to ensure diversity in the composition of hiring committees	Yes	✓	X	X	✓
	Conduct a cluster hire using criteria designed to assess the candidate's ability to serve underrepresented populations	Yes	X	X	X	X
	Require an EEO compliance officer to participate in the part-time faculty hiring process and not just the full-time hiring process	No	✓	✓	X	X

✓ Adopted
X Not yet adopted

Source: Analysis of diversity hiring best practices from various sources, and interviews with the four districts.

In addition, although cluster hiring has proven to be an effective hiring practice at various universities, none of the districts we reviewed have used this best practice to build a more diverse faculty. According to the Academic Senate for California Community Colleges, *cluster hiring* is an approach to aggressively onboard diverse candidates by intentionally using strategies to promote the hiring of underrepresented faculty instructors as a group. For instance, in a 2021 article in the *Chronicle of Higher Education*,[6] the chief diversity officer at San Diego State University noted that the university increased the number of tenured and tenure-track Black faculty by 68 percent in four years, in part due to its use of cluster hiring of faculty with a demonstrated record of success in research, teaching, or service focused on Black populations. In a 2019 article in *The Chronicle of Higher Education*, a senior associate dean of faculty at Emory University in Atlanta, Georgia, described how cluster hiring helped that university substantially increase the number of new faculty from underrepresented groups. San Diego asserts that it is working to incorporate cluster hiring into its hiring processes, and Los Rios acknowledged the benefit of such a practice but suggested that other practices to promote diversity, equity, and inclusion could be just as or more effective. Kern, Foothill-De Anza, and Los Rios also brought up concerns about resource limitations and potential legal challenges. Resource limitations may be valid, as smaller districts or those that do not need to hire large numbers of faculty may not benefit from cluster hiring. However, legal challenges may not be a barrier. In its 2022 EEO handbook, the Chancellor's Office states that, although there are legal limitations on hiring based on race, it is permissible to explicitly state preferred qualifications in hiring for programs that serve historically underrepresented and disproportionately impacted students.

According to its general counsel, the Chancellor's Office believes that regularly vetting best practices is important, and it hopes to update its EEO handbook with new best practices every three years. Its deputy counsel also asserted that the Chancellor's Office will publish a new EEO plan template that incorporates the multiple methods for districts to use beginning April 2023. Each district must review and submit to the Chancellor's Office a new or revised EEO plan every three years, as well as certify annually to the Chancellor's Office that it has reviewed and updated, as needed, its EEO Plan relating to the multiple methods. *Regularly updating the EEO handbook will enable the Chancellor's Office to communicate best practices more frequently; however, incorporating additional best practices into the list those districts may use to address each of the multiple methods will further encourage districts to consider those practices.* That, along with better monitoring of districts' implementation of the methods, will help the Chancellor's Office and the districts provide community college students with the educational benefits of a diverse faculty and, thus, improve student outcomes.

Please refer to the section beginning on page 5 to find the recommendations that we have made as a result of these audit findings.

6 J. Luke Wood, *5 Ways to Make a Real Improvement in Hiring Black Professors*, *The Chronicle of Higher Education*, September 7, 2021. <https://www.chronicle.com/article/5-ways-to-make-a-real-improvement-in-hiring-black-professors?cid=gen_sign_in>, accessed on November 2, 2022.

We conducted this performance audit in accordance with generally accepted government auditing standards and under the authority vested in the California State Auditor by Government Code sections 8543 et seq. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Respectfully submitted,

GRANT PARKS
California State Auditor

February 23, 2023

Appendix A

PERCENTAGES OF STUDENTS AND INSTRUCTIONAL FACULTY BY ETHNICITY AND GENDER AT SELECTED DISTRICTS, FISCAL YEAR 2021–22

The scope and objectives of this audit requested specific statistics related to student and instructor demographics for the districts we reviewed. We present this information in the following tables.

Table A1
Percentages of Students and Instructional Faculty by Ethnicity, Fiscal Year 2021–22, for Kern Community College District

ETHNICITY	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
American Indian or Alaska Native	<1%	1%	<1%	1%
Asian	4	4	4	4
Black or African American	4	5	4	5
Hispanic or Latino	65	25	21	23
Native Hawaiian or Pacific Islander	<1	0	0	0
White	21	57	64	60
Two or more races	3	2	3	2
Unknown	1	6	3	5

Source: Data from Kern Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Table A2
Percentages of Students and Instructional Faculty by Ethnicity, Fiscal Year 2021–22, for Foothill-De Anza Community College District

ETHNICITY	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
American Indian or Alaska Native	<1%	<1%	<1%	<1%
Asian	38	22	19	21
Black or African American	3	3	6	4
Hispanic or Latino	26	8	17	11
Native Hawaiian or Pacific Islander	<1	<1	0	<1
White	23	61	52	58
Two or more races	6	2	3	2
Unknown	3	4	2	4

Source: Data from Foothill-De Anza Community College District
Note: Amounts may not add up to 100 percent due to rounding.

Table A3
Percentages of Students and Instructional Faculty by Ethnicity, Fiscal Year 2021–22, for Los Rios Community College District

ETHNICITY	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
American Indian or Alaska Native	<1%	<1%	1%	<1%
Asian	19	11	10	11
Black or African American	9	6	7	6
Hispanic or Latino	26	10	12	11
Native Hawaiian or Pacific Islander	1	<1	<1	<1
White	33	62	60	61
Two or more races	7	5	4	5
Unknown	4	6	4	5

Source: Data from Los Rios Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Table A4
Percentages of Students and Instructional Faculty by Ethnicity, Fiscal Year 2021–22, for San Diego Community College District

ETHNICITY	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
American Indian or Alaska Native	<1%	<1%	<1%	<1%
Asian	14	10	10	10
Black or African American	7	6	7	6
Hispanic or Latino	37	15	17	15
Native Hawaiian or Pacific Islander	<1	0	<1	<1
White	32	61	56	59
Two or more races	7	2	3	2
Unknown	3	6	8	6

Source: Data from San Diego Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Table A5
Percentages of Students and Instructional Faculty by Gender, Fiscal Year 2021–22, for Kern Community College District

GENDER	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
Female	55%	51%	49%	50%
Male	44	49	51	50
Unknown	1	0	0	0

Source: Data from Kern Community College District.

Table A6
Percentages of Students and Instructional Faculty by Gender, Fiscal Year 2021–22, for Foothill-De Anza Community College District

GENDER	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
Female	50%	53%	54%	53%
Male	49	47	46	47
Unknown	2	<1	0	<1

Source: Data from Foothill-De Anza Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Table A7
Percentages of Students and Instructional Faculty by Gender, Fiscal Year 2021–22, for Los Rios Community College District

GENDER	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
Female	58%	54%	54%	54%
Male	40	46	46	46
Non-Binary	<1	<1	0	<1
Unknown	2	<1	<1	<1

Source: Data from Los Rios Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Table A8
Percentages of Students and Instructional Faculty by Gender, Fiscal Year 2021–22, for San Diego Community College District

GENDER	STUDENTS	PART-TIME INSTRUCTIONAL FACULTY	FULL-TIME INSTRUCTIONAL FACULTY	ALL INSTRUCTIONAL FACULTY
Female	52%	50%	53%	51%
Male	48	50	47	49
Non-Binary	<1	0	0	0
Unknown	<1	0	0	0

Source: Data from San Diego Community College District.
Note: Amounts may not add up to 100 percent due to rounding.

Appendix B

INSTRUCTIONAL FACULTY HIRING AND HEAD COUNT DATA FOR SELECTED DISTRICTS, FISCAL YEARS 2018–19 THROUGH 2021–22

The scope and objectives of this audit requested specific statistics related to instructor hiring. We present this information in the following table.

Table B

FISCAL YEAR	FULL-TIME HIRED*	PART-TIME HIRED*	FULL-TIME HEAD COUNT	PART-TIME HEAD COUNT
FOOTHILL-DE ANZA				
2018–19	10	62	449	925
2019–20	9	107	429	931
2020–21	27	96	419	878
2021–22	12	54	422	838
Net change over 4 fiscal years			-6.0%	-9.4%
KERN				
2018–19	17	180	419	838
2019–20	35	171	429	754
2020–21	11	107	451	950
2021–22	17	91	428	876
Net change over 4 fiscal years			2.1%	4.5%
LOS RIOS				
2018–19	41	229	922	1,543
2019–20	69	187	931	1,503
2020–21	7	55	869	1,193
2021–22	15	98	839	1,284
Net change over 4 fiscal years			-9.0%	-16.8%
SAN DIEGO†				
2018–19				
2019–20	24	165	522	1,452
2020–21	1	61	475	1,223
2021–22	7	72	453	1,208
Net change over 3 fiscal years			-13.2%	-16.8%

Source: Data from selected community college districts.

* Hires can include individuals who were internal candidates moving from one time base to another.

† San Diego's current system does not contain complete data for fiscal year 2018–19, so we did not include numbers for that year.

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Appendix C

Scope and Methodology

The Audit Committee directed the California State Auditor to conduct an audit of the California Community Colleges and a selection of community college districts to determine whether the districts appropriately spent recent state budget funds allocated for hiring full-time faculty. Specifically, we were directed to evaluate whether the selected districts used the funds in accordance with legislative intent to increase the percentage of full-time instruction, to determine the extent to which the faculty represents the diversity of the student population, and to identify barriers that may inhibit the hiring of diverse full-time and part-time faculty. Table C lists the objectives that the Audit Committee approved and the methods we used to address them.

Table C
Audit Objectives and the Methods Used to Address Them

	AUDIT OBJECTIVE	METHOD
1	Review and evaluate the laws, rules, and regulations significant to the audit objectives.	Reviewed relevant state laws, rules, and regulations applicable to the funds provided for hiring full-time faculty, districts' hiring practices, and the Chancellor's Office's oversight responsibilities.
2	For a selection of districts of varying size, location, student composition, and other relevant factors, determine the following: a. The percentage of community college instruction taught by full-time and part-time faculty. b. The number of full-time and part-time instructors the districts hired during fiscal year 2021–22 and the net increase in full-time instructors. c. The number of part-time faculty positions converted to full-time positions during this time period.	• Reviewed information on the amount of funding each district received to hire full-time faculty in fiscal years 2018–19 through 2021–22, the geographical location of districts, the student population of districts, and the demographic diversity of students and faculty. Using this information, selected Foothill-De Anza, Kern, Los Rios, and San Diego for further review. • Reviewed current metrics measuring the percentage of full-time faculty at each district and determined that these metrics were inappropriate for our purposes. • Obtained data on instruction by both full-time and part-time faculty from the four districts and determined whether it was taught by full-time or part-time faculty. Calculated the percentage of instruction taught for credit by full-time faculty. The data these districts provided did not include separate values for sex and gender. We therefore present an analysis of gender only in Appendix A. • Obtained data from the four districts, calculated statistics on instructors hired, and calculated the net change in full-time and part-time instructors. • Interviewed human resources staff at the four districts and the Chancellor's Office and determined that districts do not use a conversion process for creating new full-time faculty positions.

continued on next page . . .

	AUDIT OBJECTIVE	METHOD
3	Assess how each of the selected districts has spent state funding allocated for the hiring of full-time faculty in fiscal year 2021–22, including the following: a. The percentage of these funds that each district used to fill full-time faculty positions. b. Whether the districts used any portion of the funds for other purposes. If so, identify those purposes, the districts' justification for those expenditures, and the individual or entities that authorized the use of those designated funds. c. The districts' projected and actual costs per new full-time faculty hired and how the districts determined those costs.	• Reviewed fiscal documents at the districts and determined that some districts would likely not have been able to spend funds initially allocated in fiscal year 2021–22 in that year on new full-time faculty positions. Extended the audit period to fiscal year 2018–19 and the allocation that began in that year to determine how districts were expending the funds. • Reviewed documentation at Foothill-De Anza and San Diego showing the number of full-time faculty positions created in fiscal year 2018–19 and the actual costs of those positions in subsequent years to determine the percentage of funds used. Reviewed documentation from both districts showing the number of full-time faculty positions created in fiscal year 2021–22 and the budgeted cost of those positions. Interviewed fiscal and human resources staff for perspective. • Interviewed fiscal staff at Kern and Los Rios and determined that neither district tied the funds to specific positions. Collected documentation showing the number of full-time faculty hired between fiscal years 2018–19 and 2021–22 and the estimated costs of those positions. • Interviewed fiscal staff at the districts and reviewed documentation regarding how the funds had been used. • Obtained perspective from the districts and the Chancellor's Office on the justification and authorization for any expenditures for other purposes we identified. • Reviewed documentation at Foothill-De Anza and San Diego showing the districts' methodology for determining how many full-time faculty positions to create with the funding. For those positions created in fiscal year 2018–19, reviewed subsequent actual costs of the positions. The districts based their projections on averages for full-time faculty salary and benefit costs, and we based the actual costs on payroll records. We identified no concerns with the districts' projected or actual costs. • Interviewed fiscal staff at Kern and Los Rios and determined that because the districts did not tie the funds to specific positions, it was not feasible to determine the projected or actual costs of positions.
4	Evaluate the selected districts' recruiting and hiring practices for full-time faculty positions by doing the following: a. To the extent possible, compare the ethnicity, sex, and gender of part-time faculty and enrolled students to full-time faculty, including those hired as the result of the fiscal year 2021–22 state budget allocation for hiring full-time faculty. To the extent possible, identify factors contributing to any significant differences identified. b. Assess the extent to which the selected districts implement best practices for recruiting a qualified and diverse applicant pool.	• Analyzed demographic data from the Chancellor's Office to determine major differences between students and faculty, as well as changes over time. • Interviewed staff at the Chancellor's Office and the four districts to determine barriers to hiring diverse faculty. • Compared how the demographic composition of the applicant pool changed from initial applicants to the qualified applicant pool, to determine whether key points in the process appeared to limit diversity. At Los Rios, determined no such limits were apparent. For districts that could not provide this demographic information, interviewed staff at those districts to determine why this was not done. • Evaluated barriers using census data and documents from the Chancellor's Office and the four districts, including hiring procedures, EEO plans, and reports. • Obtained data from the four districts and calculated statistics related to the ethnicity and gender of full-time and part-time instructors who taught classes for credit and of the students registered for those classes. • Interviewed staff at the Chancellor's Office and the districts and reviewed the Chancellor's Office's recent publications to identify best practices that may improve the percentage of full-time faculty instruction and faculty diversity. • Evaluated the nine multiple methods the Chancellor's Office offers as options for districts to qualify for EEO funds. Evaluated the Chancellor's Office's oversight of districts' implementation of these methods. • Identified and evaluated best practices described in academic studies that may improve the percentage of instruction by full-time faculty and faculty diversity.

	AUDIT OBJECTIVE	METHOD
5	Identify the reasons why the selected districts have not achieved the goal of having 75 percent of instruction taught by full-time faculty, including whether there have been any delays in the process. Determine whether barriers exist in policies, practices, or other areas that may prevent the districts from achieving this goal and from hiring a diverse full-time faculty.	• Interviewed staff at the Chancellor's Office to identify potential barriers in policies, practices, or other areas that may prevent the districts from increasing their full-time faculty percentage and the diversity of full-time faculty. • Interviewed staff at the Chancellor's Office and reviewed documentation to identify the benefits and challenges of a requirement to measure actual full-time faculty instruction and track the districts' progress in reaching this goal. Although districts were able to use the funds to hire additional full-time positions, they assert that they would need further funding beyond the additional funding the Legislature currently appropriates to reach or remain at the 75 percent goal.
6	Review and assess any other issues that are significant to this audit.	None identified.

Source: Audit workpapers.

Assessment of Data Reliability

The U.S. Government Accountability Office, whose standards we are statutorily obligated to follow, requires us to assess the sufficiency and appropriateness of computer-processed information we use to support our findings, conclusions, or recommendations. In performing this audit, we relied on enrollment and instruction data obtained from Foothill-De Anza, Kern, Los Rios, and San Diego. To evaluate these data, we reviewed existing information about the data, interviewed staff members knowledgeable about the data, and performed electronic testing of the data. As a result, we determined that the data were sufficiently reliable for our purposes. Additionally, we relied on demographic data we obtained from the Chancellor's Office. We interviewed staff members knowledgeable about the data and determined that the data were sufficiently reliable for the purpose of presenting historical demographic trends for students and faculty.

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California Community Colleges

DAISY GONZALES, PH.D.
Interim Chancellor

February 2, 2023

Grant Parks, State Auditor*
621 Capitol Mall, Suite 1200
Sacramento, CA 95814

Dear Mr. Parks:

The California Community Colleges Chancellor's Office (Chancellor's Office) appreciates the opportunity to provide comments and address the recommendations outlined in the California State Auditor's (CSA) draft audit report 2022-113, *Increasing Full-Time Faculty and Diversity Remains a Challenge*. Below are our comments on the draft audit report and responses to each of the specific recommendations.

Response to Introduction: Background

The draft audit report presents a misleading picture of California's community college governance and the role of the Chancellor's Office — both by minimizing the responsibility of districts to comply with laws that are directed toward their own hiring practices, and by implying that the Chancellor's Office is governed only by its own discretion when it is in fact bound to follow rules established in the Education Code and Title V regulations. As a result, the draft audit report paints a misleadingly incomplete picture as to the division of authority within the California Community Colleges system. ① ②

While the draft audit report accurately states that the Board of Governors provides leadership and direction to the districts by carrying out certain responsibilities, it fails to mention that that same provision (Education Code section 70901, subd. (a)) also provides that "[t]he work of the board of governors shall at all times be directed to maintaining and continuing, to the maximum degree permissible, local authority and control in the administration of the California Community Colleges." Moreover, although Education Code section 71090, subdivision (a) designates the Chancellor of the California Community Colleges as the "chief executive officer" of the system, subdivision (b) provides that the Chancellor may only exercise those "duties and responsibilities as may be delegated to him or her by the board." As a result, the ③

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* California State Auditor's comments begin on page 57.

California Community Colleges

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Chancellor (and the Chancellor's Office) is constrained by the same limitations as the Board of Governors and must strike a careful balance between the proper exercise of coercive authority and deference to "local authority and control" consistent with Education Code section 70901.

This division of authority is evident in the Legislature's enactment of the relevant Equal Employment Opportunity provisions of the Education Code. Section 87102 provides that "[a]s a condition for the receipt of funds pursuant to Section 87107, the governing board of the community college district that opts to participate under the article shall periodically submit to the board of governors an affirmation of compliance with this article." Section 87103 provides that the "board of governors shall render assistance in developing and implementing equal employment opportunity programs in the community college districts." Thus, the Legislature's evident intent is to rest primary responsibility for adhering to EEO principles in the hiring of community college district staff, and to affirming compliance with these principles, in community college districts themselves. It is important to recognize and
④ clarify that local community college districts are solely responsible for individual hiring decisions at our 116 colleges.

Response to Introduction: Comparison of Full-Time and Part-Time Faculty

The draft audit report omits analysis of student success and historical intent of faculty goals. Although the scope of the audit requires CSA to "review and evaluate the laws,
⑤ rules, and regulations significant to the audit objectives", the draft audit report does not include any discussion or analysis of the original intent behind the goal of having 75% of instruction taught by full-time faculty nor does it include consideration of whether data on student outcomes for California Community Colleges is correlated with this goal or related to other factors or components of modern education and student success.

Additionally, although the provision of full-time faculty hiring funds in the annual budget act is at the core of the audit objectives, the CSA does not evaluate the impact of excluding an annual cost of living adjustment (COLA) from this allocation. The allocation to each district is a static amount that over time, unlike the ongoing costs to districts, is never adjusted for collective bargaining increases to salaries, benefits,

California Community Colleges

DAISY GONZALES, PH.D.
Interim Chancellor

pensions, or other inflationary cost pressures. Most full-time faculty will stay in a tenure track position for an average of 25 to 35 years. When planning for hiring, our districts must consider the lifetime cost of hiring full-time faculty and establish a financial plan to cover the significant additional ongoing costs beyond what is provided by the full-time faculty hiring allocation in the state budget. (6)

Response to Introduction: Full-Time Faculty Instruction

The draft audit report inaccurately describes the faculty obligation number (FON) and statewide trends and states "When there is a decrease in a district's hours of instruction, the Chancellor's Office reduces that district's FON" and that "decreasing enrollment has resulted in a lower FON systemwide." In fact, the Education Code and regulations require that a district's FON is adjusted based on the percentage change in ***funded*** credit full-time equivalent students[1]. It is critical to understand that, despite declining enrollment, funding protections provided by the Student Centered Funding Formula and emergency conditions allowance regulations resulted in the measure of districts' ***funded*** credit full-time equivalent students remaining relatively steady in recent years and a minimal change in statewide FON from 17,350 in 2019 to 17,072 in 2022. Given the reality of declining enrollment, districts may experience a reduced need to hire but are still being held to a compliance FON that has been artificially inflated by temporary funding protections. (7)

Response to Chapter 2: Increased Oversight and Guidance Could Improve Districts' Ability to Hire Faculty that Reflect the Diversity of their Students.

The draft audit does not adequately capture the goal of EEO programs, which are meant to increase overall diversity within the California community college workforce. This goal is clearly expressed by the Legislature in Education Code section 87100, where it states that "a work force that is continually responsive to the needs of a diverse student population may be achieved by ensuring that all persons receive an equal opportunity to compete for employment and promotion within the community college districts and by eliminating barriers to equal employment opportunity." (8)

[1] Full-time equivalent students, or FTES, is another way to express instructional hours, where 525 instructional hours = 1 FTES.

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Interim Chancellor

However, rather than examine the increase (or decrease) of overall diversity as a whole, the draft audit report seems to focus only on racial diversity and appears to erroneously measure success or failure of a district's EEO program by comparing the
(9) percentage of students of a particular racial or ethnic group with the percentage of faculty identifying in the same group. This approach is flawed in many ways, not least of which is that it seems to suggest that success can be quantified directly by examining percentages of students versus faculty in the same protected category. This ignores the prohibition on racial (and other) preferences specified in Proposition 209 and subsequent court cases. Indeed, in the seminal case in this area, Connerly v. State Personnel Board, 92 Cal.App.4th 16 (2001), the plaintiff directly challenged the prior version of the Board of Governors' EEO regulations, which were struck down as violative of Prop 209. While disparities in the racial or ethnic makeup of the workforce as compared to the student population may certainly indicate a problem with the recruitment and retention of employees of a particular group and inform a district's recruitment efforts, it would be unlawful to base individual hiring decisions on achieving stated numerical goals. Yet it appears that is exactly what the draft audit report suggests with respect to Hispanic faculty as it chides the progress made in hiring more Hispanic faculty members as "not enough to create a faculty representative of the student body," even as the draft audit report recognizes that the community colleges have doubled the percentage of Hispanic faculty over the past 20 years. The draft audit report fails to accurately reflect the limitations and context faced by California community colleges seeking to increase the diversity of its workforce due to the confines of Prop 209.

The draft audit report also fails to recognize the important role that faculty tenure
(10) plays in the slow diversification of the community college workforce. Generally, faculty members may achieve tenure after being employed in a full-time academic position for three years. Once a faculty member achieves tenure, they may only be dismissed for cause. As a result, it is rare for tenured faculty to move on by either resigning or retiring and tenured faculty generally serve long careers at their respective colleges. The diversity of a college's workforce therefore reflects the hiring choices made in the distant past, when diversity, equity and inclusion efforts were limited or nonexistent. Due in large part to this dynamic, diversification of the faculty ranks is a slow process.

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Response to "The Chancellor's Office has Not Ensured that Districts Employ Best Practices for Promoting Faculty Diversity"

The draft audit report fails to understand the Chancellor's Office role and concludes that "sufficient oversight to ensure that districts adequately implement nine [multiple] methods [ ] to promote faculty diversity" has not been provided. However, as the draft audit report later states, the Chancellor's Office currently requires implementation of only seven of the nine methods due to the fact that at the time of their adoption, differences in size, resources, and EEO knowledge amongst the districts would have apparently made it difficult for all districts to comply with all Multiple Methods. While there may have been an intention to eventually require districts to meet all nine Multiple Methods, such a decision is squarely within the discretion of the Chancellor's Office. It is not clear what data or other factual basis supports the Draft audit report's second-guessing on this issue. (11) (12)

The draft audit report states that the Chancellor's Office awarded EEO funds to districts without verifying whether they were in compliance with Multiple Methods requirements. As was repeatedly explained to the auditors but not well reflected in the Draft audit report, our statewide governance process and Board of Governors standing orders guide our review of Multiple Methods. With 73 districts, verification is standardized through required forms submitted in good faith by district Chief Executive Officers and verified through local board adoption in a public meeting. The draft audit report suggests that the Chancellor's Office could remedy the lack of human resources to conduct additional verification of each Multiple Method by each district by using a portion of the EEO fund, which is designated by law "to be set aside to provide monitoring, among other administrative functions." This misinterprets the language of the relevant statutory provision, Education Code section 87108, subdivision (b), which provides that the specified funds may be used "to provide technical assistance, service, monitoring, and compliance functions." However, as was also explained, EEO funds fall under the Proposition 98 guarantee which must be expended by districts and may not be used, absent clear statutory authorization, to fund state administrative operations. If the draft audit report is suggesting that these funds could be used to support Chancellor's Office positions engaging in EEO (13) (14)

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Interim Chancellor

oversight of districts, we would respectfully disagree absent clear language in Section 87108 authorizing use for state operations.

Given that Education Code section 87101, subdivision (c), requires that "each district employer shall commit to sustained action to devise recruiting, training, and advancement opportunities that will result in equal employment opportunities for all qualified applicants and employees," and that section 87102, subdivision (a), provides that districts accepting EEO funds "shall periodically submit to the board of governors an affirmation of compliance with this article," it is reasonable for the Chancellor's Office to rely in good faith on the districts' affirmations that they have complied with the law, particularly given the extensive process that requires a local process adopted through local governance committees, local community engagement, local adoption through a public board meeting and signatures of local leaders That the draft audit report appears to find fault solely with the Chancellor's Office for having accepted districts' affirmations could be viewed as absolving the districts of their independent legal and ethical obligations to comply with these statutory provisions. ⑮

Response to "The Chancellor's Office has Not Been Effective at Encouraging Districts to Implement Additional Best Practices for Improving Diversity"

Building a faculty and staff who are reflective of the students and communities we serve is integral to our commitment to put diversity, equity, inclusion and accessibility (DEIA) and anti-racism at the heart of our work. Our DEIA efforts have focuses on three core outcomes: cultural diversity, promoting equity through equity-minded policies and practices, and fostering inclusion through employee recruitment, hiring, and retention. Since 2019, our DEI Integration Plan has served as the guide for our DEIA and anti-racism work to improve institutional practices and policies to recruit, hire, and retain diverse faculty. Systemwide efforts like the Vision for Success and Guided Pathways are based on our central commitment to DEIA and anti-racism. In 2020, we issued a "Call to Action" to articulate concrete ways the Chancellor's Office, college leadership and other stakeholders can advance DEIA and anti-racism.

The Chancellor's Office is equipping districts and colleges with the tools and support they need to create equity-centered, anti-racist policies and practices, including:

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Interim Chancellor

- Embedding DEIA competencies and criteria into employee evaluations and tenure review processes.
- Updating the student grievance process to provide clear steps for students to raise concerns and resolve acts of racism, microaggressions and discomfort.
- Re-evaluate and embed DEIA in district equal employment opportunity (EEO) plans to demonstrate an ongoing, action-oriented commitment to EEO and DEIA.
- Encouraging more mentorship opportunities between students and faculty.
- Provide professional learning resources focused on institutional bias, structural racism, and their impact on campus culture and student success.

The draft audit states that the Chancellor's Office has been ineffective at encouraging districts to implement additional best practices for improving diversity; however, it must be said that districts are ultimately responsible for hiring at their campuses. Despite this complex governance structure, the Board of Governors and Chancellor's Office have taken additional steps to incentivize diverse faculty and staff hiring. Specifically, the Board of Governors and Chancellor's Office have created the enabling conditions for districts to take urgent action. Most notably, the Board of Governors created a clear roadmap, known as the Diversity, Equity and Inclusion Integration Plan, which resulted in the adoption of 58 recommendations to ensure that diversity in faculty and staff is a pipeline that includes recruitment, hiring and retention. This has led to updates in regulations, increased state investment in EEO programs, the development of handbooks and statewide professional development. In 2020, the State invested $10 million in EEO programs, rectifying a historic underinvestment and reliance on FON penalties to fund EEO programs. Districts are assessed a FON penalty when the district does not meet its minimum required faculty obligation number in a given year. This investment meant that EEO programs could be resources for the first time in over a decade. (16)

All DEIA and EEO materials are publicly available and can be found on our website. Districts are and have always been capable and empowered to design robust EEO programs to diversify their own workforces with or without guidance from the Chancellor's Office. Districts that are proactive about EEO work have gone above and

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DAISY GONZALES, PH.D.
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beyond the requirements of the EEO statutes and regulations in implementing their EEO programs.

The draft audit report additionally appears to find fault with the relatively slow adoption of some of the "additional best practices" by districts. The main example of one of these best practices that districts are not employing is "cluster" hiring. However, as the draft audit report makes clear, cluster hiring is a relatively new concept as it cites articles dating only from 2019 and 2021. Moreover, cluster hiring was only recently included as a best practice in the Chancellor's Office's 2022 EEO Handbook, after extensive review and consultation through statewide governance processes required by the Education Code It should therefore not be surprising that it has not been employed by any of the districts the auditors examined. ⑰

In fact, the development of the Chancellor's Office's 2022 EEO Handbook is but one example of the efforts the Chancellor's Office has made in recent years to "encourage districts to implement additional best practices for improving diversity" that the draft audit report fails to properly acknowledge. Beginning in 2016 with the initial publication of the EEO Best Practices Handbook which introduced the Multiple Methods, the Chancellor's Office has been proactive in encouraging districts to implement best practices. Indeed, as mentioned above, since 2020, the Board of Governors and the Chancellor's Office have renewed their efforts to diversify the California Community Colleges workforce. The Chancellor's Office has contracted with experts to assist in amending the EEO regulations and in developing a new Model EEO plan to better help districts specify and attain EEO goals. The Chancellor's Office has also contracted with a visiting executive to oversee implementation of the new EEO program requirements, and to provide guidance and training to the system on implementing their programs. Included in these efforts are presentations in Northern and Southern California to showcase EEO Best Practices, the rollout of an EEO Data Module to inform districts on how to research workforce availability data in order to complete data analyses required by the EEO regulations. Finally, the creation of an EEO Innovative Best Practices Grant using one-time EEO funds provided by Legislature should create additional incentives for the implementation of EEO best practices. Indeed, all of these ongoing efforts are intended to "encourage districts to implement additional best practices for improving diversity."

California Community Colleges

DAISY GONZALES, PH.D.
Interim Chancellor

Finally, perhaps the most significant development in this area, as partially explained in the preceding paragraph, is ignored by the draft audit report until its final paragraphs. The Chancellor's Office is on the cusp of implementing a revamp of the EEO regulations and a new Model EEO Plan for districts to use in submitting their EEO plans. The Board of Governors adopted these regulations in July 2021 and we received final approval from the Department of Finance in September 2022. Given the timing of this audit, the Chancellor's Office found itself in a transition period where we had received approval of the new regulations, yet were being asked about the shortcomings of a program that the Chancellor's Office and the Board of Governors had already recognized and addressed. (18)

The new regulations continue to balance local control against the need for Chancellor's Office oversight, as the Legislature requires. They are intended to streamline some of the requirements that districts must comply with while making the EEO plan a much more meaningful and living document. Importantly, the new regulations require that a district's board of trustees adopt the EEO plan at a regular meeting as an action item for discussion. This is in order to provide transparency of the plan to the community and to allow for community and stakeholder engagement and discussion. Additionally, the new regulations require that a draft EEO plan be submitted to the Chancellor's Office 90 days before final adoption so the Chancellor's Office can provide feedback which must then be presented to the district's board of trustees before final adoption. Through this mechanism, the Chancellor's Office will be able to provide additional feedback and oversight. Finally, the new regulations and the new Model EEO plan will integrate the Multiple Methods directly into the EEO plan, so districts are able to employ those strategies to meet their EEO plan goals. Under the new regulations, districts must review EEO plans annually and determine whether they are on track or must be modified. This is another mechanism that will provide for ongoing oversight of a district's EEO plan goals.

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RECOMMENDATIONS AND RESPONSE

CSA Recommendation 1: To oversee and monitor districts' progress toward the goal of having at least 75 percent of their hours of instruction provided by full-time faculty, by February 2024, the board and the Chancellor's Office should develop, implement, and report on a metric of instruction that calculates actual instruction hours taught by full-time and part-time faculty.

See combined response to recommendation 1 and 2 below.

CSA Recommendation 2: To ultimately achieve the current goal of at least 75 percent of instruction taught by full-time faculty, the Chancellor's Office, by February 2024, should set increasing annual benchmarks for the amount of instruction by full-time faculty at the districts, with the goal of achieving an appropriate target percentage within five years. The Chancellor's Office should also develop a mechanism to promote compliance with its benchmarks.

Chancellor's Office Response to Recommendations 1 and 2: The recommendations
(19) are made based solely on analysis of only four of 73 community college districts. A comprehensive systemwide study may find different results in support of the continued use of the long established statutory and regulatory methodology to measure and monitor instruction or support for a different measure. The existing methodology, metric, benchmarks, and mechanism to promote compliance (the FON penalty) were established by the Board of Governors after the culmination of an extensive participatory governance process, known as Consultation Council which is codified in the Education Code. This participatory process includes gathering feedback from system stakeholders including academic representatives, chancellors and presidents, chief business officials, human resources officers, students and interested members of the public, as well as extensive discussion at public forums including public meetings of the Consultation Council and Board of Governors. The Chancellor's Office's role is to facilitate these discussions and provide student-centered evidence and data for consideration and discussion. Additionally, any regulation proposed by the Board of Governors is subject to administrative approval

California Community Colleges

DAISY GONZALES, PH.D.
Interim Chancellor

by the Department of Finance. Ultimately, the Chancellor's Office does not have control over the final regulatory proposals or the timeline for adoption.

CSA Recommendation 3: To ensure that districts appropriately use the funds designated for hiring full-time faculty, the Chancellor's office should do the following by August 2023:

- Require each district to report to the Chancellor's Office in November of each year on the number of full-time faculty positions filled and maintained with the funds in the prior fiscal year, the percentage of the funds used in the prior fiscal year, and the cumulative total of funds used and unused since the initial allocation in fiscal year 2018-19. Each district should also include in the report its progress toward meeting the goal of at least 75 percent of instruction by full-time faculty.
- Implement a policy to annually synthesize the information from the districts into a systemwide report and post it on its public website by January of the following year.
- Implement a policy to verify that the districts are using the funds for their designated purpose.

Chancellor's Office Response to Recommendation 3: The Chancellor's Office is in the process of modifying the annual faculty obligation report to request data on how funds were used. However, when the allocations for the full-time faculty hiring funds were established, there was no requirement for districts to track and report on these funds separately; therefore, districts may not have this information readily available and will consider this request to be a reimbursable state-mandated program. Districts already report to the Chancellor's Office their progress toward meeting the goal of 75 percent instruction by full-time faculty, total revenues and expenditures in major categories, specific expenditures for academic salaries and wages, and the number and average salary of all employees including both part-time and full-time faculty. This information is currently publicly available on the Chancellor's Office website. (20) (21)

CSA Recommendation 4: To ensure that districts are performing analysis needed to identify and determine the causes of any underrepresentation in the faculty they hire,

California Community Colleges

DAISY GONZALES, PH.D.
Interim Chancellor

the Chancellor's Office should, by August 2023, implement a policy to verify that districts conduct the required demographic analyses of their employment process.

Chancellor's Office Response to Recommendation 4: The demographic analysis of faculty hires is required under the new EEO regulations and will be more closely monitored. The Chancellor's Office is in the process of developing new internal policies and procedures for conducting reviews of district EEO plans.

CSA Recommendation 5: To improve faculty diversity at all districts, the Chancellor's office should, beginning in fiscal year 2023-24, require districts to implement all of the multiple methods to receive EEO funding, and it should create a process to verify proper implementation of a selection of the methods to ensure compliance and consistency.

Chancellor's Office Response to Recommendation 5: The Chancellor's Office will engage in consultation with community college districts, the EEO and Diversity Advisory Committee and Board of Governors to determine whether there is a better balance to be struck in this area between local control and compliance with all Multiple Methods.

CSA Recommendation 6: To improve faculty diversity at districts, the Chancellor's Office should, by February 2024, implement a policy to regularly determine the most effective and feasible best practices for districts to implement. It should then update its multiple methods process to include those selected best practices when it conducts its evaluation of district EEO plans once every three years.

Chancellor's Office Response to Recommendation 6: As has been demonstrated by the Chancellor's Office regular publication of the EEO Best Practices Handbook, the Chancellor's Office is already committed to a cycle of regular improvement, and to sharing information with community college districts—whose obligation it is to ensure equal employment opportunity in their recruitment, hiring, and retention of district employees. The 2022 EEO Best Practices Handbook provides local leaders with evidence-based approaches to consider and take action However, the Chancellor's

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DAISY GONZALES, PH.D.
Interim Chancellor

Office is reluctant to blindly recommend that the Board of Governors impose the same set of solutions upon every district—regardless of their unique local circumstances. (22)

If you have any questions regarding the Chancellor's Office comments, please contact Lizette Navarette, Interim Deputy Chancellor at lnavarette@cccco.edu.

Sincerely,

Daisy Gonzales

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Comments

CALIFORNIA STATE AUDITOR'S COMMENTS ON THE RESPONSE FROM THE CHANCELLOR'S OFFICE

To provide clarity and perspective, we are commenting on the response to our audit from the Chancellor's Office. The numbers below correspond to the numbers we have placed in the margin of the response.

The Chancellor's Office's statement that the report is misleading is incorrect and deflects from its own responsibilities. Education Code section 70901 gives the Board of Governors, and by extension the Chancellor's Office, the responsibility to establish conditions entitling districts to receive state funds, the duty to carry out periodic reviews of districts to determine whether those conditions have been met, and the authority to adopt rules and regulations to execute those functions. Our audit identifies the lack of progress toward the State's goal for instruction by full-time faculty, the improper use of state funding, and the failure to implement certain EEO practices that have resulted from the Chancellor's Office's insufficient oversight. While districts have their own responsibility to adhere to state law—and our report appropriately criticizes the districts on pages 19 and 20—the Chancellor's Office's own authority expressed under Section 70901 should not be minimized. The recommendations we make to the Chancellor's Office on pages 5 and 6 can and should be implemented under its existing authority. (1)

We do not state or imply that the Chancellor's Office's is governed only by its own discretion. Rather, we frequently refer to the requirements of state law to which community colleges should adhere. In regard to regulations, we acknowledge the Board of Governors—administratively assisted by the Chancellor's Office—must engage in a sometimes lengthy consultation process in the development and review of policies. However, it remains that the Board of Governors has full authority to adopt rules and regulations necessary and proper to execute its functions. The Board of Governors—assisted by the Chancellor's Office—created a full-time faculty calculation in regulations that, as we point out on page 9, does not measure full-time faculty in alignment with the 75 percent goal established in state law. Thus, the Chancellor's Office is following rules that it established when those regulations were created under its own authority. Our conclusions and recommendations do not ignore these regulations; rather, they demonstrate that they need to be corrected. (2)

We recognize the role of local control in the administration of districts; however, our audit focused on areas where the Board is responsible for determining minimum standards for receiving state funding and verifying that districts are meeting those standards, as we describe on page 7. Nothing in our report suggests the Board or the Chancellor, as the system's chief executive officer, should supersede local authority and control. Rather, when districts accept state funds, they need to comply with the state directives associated with those funds and the Chancellor's Office, through the authority established in Education Code 70901, must hold them accountable for this compliance. (3)

④ Community college districts certainly hold the *primary responsibility* for adhering to EEO principles. However, that condition does not negate the Board of Governors and the Chancellor's Office's own duties to ensure districts' compliance with those principles. Education Code section 70901, Education Code sections beginning with section 87100, and their supporting regulations give the Chancellor's Office the authority to ensure districts' compliance with EEO principles. Thus, the Chancellor's Office is responsible, given its authority under state law, for monitoring and ensuring campuses spend EEO funds in a manner consistent with state law and its own policies.

⑤ The Chancellor's Office's response seems to suggest that the Legislature's 75 percent goal may not be correlated with positive student outcomes. To clarify, the Joint Legislative Audit Committee directed our office to evaluate why selected districts have not achieved the 75 percent goal and whether barriers exist in policies, practices, or other areas that prevent districts from achieving this goal. As our report points out, the Chancellor's Office's limited oversight is such a barrier. Specifically, the Chancellor's Office has not monitored campus spending, developed a suitable metric of full-time faculty instruction, or collected hiring data from the campuses to measure progress. We believe the Chancellor's Office can and should play a larger role in monitoring progress towards the State's 75 percent goal.

⑥ We did not find that the increasing costs of faculty positions over time was a contributing factor to any improper use or neglect of state funds. Rather, as stated on page 20, the factors included a district's confusion about guidance from the Chancellor's Office and inadequate tracking of the funds. Therefore, a discussion of the impact of excluding a cost of living adjustment in the appropriations was not needed for our analysis. Should the Chancellor's Office, as the oversight entity responsible for setting the requirements for community colleges to receive state funding, seek to initiate this discussion with state lawmakers, it would benefit from implementing our recommendation on page 5 for districts to track and report on the use of associated funds.

⑦ We acknowledge the Chancellor's Office's distinction that a lower FON results specifically from *funded* enrollment decreases. As such, we modified the sentence on page 10 to better recognize this relationship. However, this detail does not change the accuracy of our statement on page 16 that adjustments to the FON are based on changes in funding and enrollment, and as such, the overall FON has decreased slightly over the last 20 years.

⑧ Contrary to the Chancellor's Office's assertion, our audit report adequately captures the goal of EEO programs. The Chancellor's Office supports its assertion that the report does not do so by citing state law, but our report includes reference to the same language from that law twice: once on page 11, and again on page 26.

⑨ The Chancellor's Office mischaracterizes our discussion of EEO issues in the report. We acknowledge the progress that has been made to diversify community college faculty, while accurately noting that the faculty is still not representative of the population of community college students. The audit objectives approved by the Joint Legislative Audit Committee directed us to compare the demographics of students and faculty and there is no prohibition on using data to examine progress in

diversity. As we state on page 23, 47 percent of community college students identify as Hispanic, but only 18 percent of faculty identify as Hispanic. As we show in Table 3 on page 23, the largest difference between student and faculty populations by far is for the populations that identify as Hispanic. We use this data to demonstrate that there is a disparity "in the racial or ethnic makeup of the workforce as compared to the student population," which in its response the Chancellor's Office acknowledges "may certainly indicate a problem with the recruitment and retention of employees of a particular group and inform district's recruitment efforts." We at no point in the audit report suggest that community colleges should implement hiring practices that violate Proposition 209.

The Chancellor's Office is incorrect in stating that we do not recognize the role of faculty turnover rates in the diversification of the workforce. We include a discussion of this very point on page 25 of the audit report. However, it should be noted that the draft copy of the report we provided to the Chancellor's Office, in order to maintain confidentiality with each auditee, redacted the comments of a vice chancellor at San Diego shown on page 25. Thus, the Chancellor's Office would not have known that we had included this perspective in the audit report when it prepared its response. (10)

On page 26 our report accurately describes the nine multiple methods, including that the Chancellor's Office currently requires implementation of only seven of the nine methods. We further report on page 28 that an executive at the Chancellor's Office asserts that districts now have more resources and time to implement these best practices than they did in 2015 and that all nine methods are now realistic expectations for the districts. However, as we note on page 28, the Chancellor's Office does not verify whether or to what extent the districts carried out the methods they claimed to have implemented. (11)

As we note in page 28 of the report, the Chancellor's Office's goal was to gradually increase the compliance requirements over time, and an executive at the Chancellor's Office asserted that all nine methods are now realistic expectations for the districts. Our recommendation on page 5 of the report to require districts to implement all of the multiple methods in order to receive EEO funding will help address challenges we identify in the report, and is based on discussions with the Chancellor's Office, including its executive who, as we report on page 28, asserted that all nine methods are now realistic expectations for the districts. (12)

The process the Chancellor's Office describes, in which districts submit a report of their EEO activities that is approved by the district's board, is a reporting function, and not a verification of compliance with the multiple methods. As we note in the report on page 28, currently the Chancellor's Office awards EEO funding to districts on the condition that they submit an annual certification form declaring that they have implemented seven of the multiple methods, but the Chancellor's Office does not take the next step: verifying whether or to what extent the districts carried out the methods they claimed to have implemented. As we state on page 7, the Board, which is responsible for determining minimum standards for receiving state funding and verifying that districts are meeting those standards, delegates fiscal oversight responsibilities to the Chancellor's Office. Further, as described on page 29, the lack of Chancellor's Office review means there is heightened risk that districts are (13)

receiving EEO funds and not implementing programs intended to improve diversity, and this lack of oversight from the Chancellor's Office has even greater significance due to the recent increase in EEO funding.

⑭ We disagree with the Chancellor's Office's position that it does not have statutory authority to use EEO funds to provide monitoring of districts' EEO efforts. Education Code section 87108 expressly provides that the Board of Governors, and by extension the Chancellor's Office, "may use not more than 25 percent of the revenues in the [EEO] fund to provide technical assistance, service, monitoring, and compliance functions." The statute goes on to state that the remaining balance may be allocated to individual districts. Title 5, section 53030 of the California Code of Regulations also directs that resources provided to the Board of Governors shall be placed in an EEO fund, and that "A portion of the fund, but not more than 25 percent, shall be set aside to provide technical assistance, service, monitoring, and compliance functions." The regulation goes on to state that a portion of the funds not so allocated shall be allocated to the districts. Accordingly, we believe the Chancellor's Office does have the authority to use a portion of EEO funds to provide monitoring of districts.

⑮ The Chancellor's Office's concern that districts are not being held accountable for their legal and ethical obligations is puzzling given its own responsibility in this area. As we note on page 29 of the report, under its authority to monitor the use of the EEO funds, the Chancellor's Office is responsible for ensuring that only districts that adequately comply with the multiple methods requirements receive the funds. As indicated on page 28, each of the districts we reviewed were unable to demonstrate adequate implementation of at least one of the methods they claimed to have implemented. Although the districts should be faulted for inadequate implementation in the instances we identify in Chapter 2, the way to ensure proper implementation in the future is for the Chancellor's Office to fulfill its oversight responsibilities.

⑯ As we state on page 28, the Legislature increased the EEO funds appropriation by an additional $10 million, bringing the total EEO funding award to $12.8 million. The Chancellor's Office's discussion of the additional funding emphasizes the importance of oversight. Without verifying that the districts receiving this money have fully implemented the methods they list on their certification forms, the Chancellor's Office cannot ensure that the districts are making the efforts necessary to promote diversity.

⑰ We do not criticize the pace of adoption of best practices. We identify *additional* best practices the Chancellor's Office could encourage districts to implement, and we identify those districts that have and have not already used the practices. We acknowledge on page 31 that cluster hiring may not benefit all districts.

⑱ The timing of the audit did not hinder our ability to work with the Chancellor's Office's planning team to propose the recommendations on page 5 and 6. These recommendations incorporate the Chancellor's Office's future plans, including requiring districts to implement all of the multiple methods, and updating its multiple methods process every three years.

The Chancellor's Office is incorrect that recommendations 1 and 2 are based solely on analysis of the four districts we visited. To the contrary, those recommendations are based on our analysis of the regulations the Chancellor's Office describes. As we state on page 9, the Chancellor's Office's regulations were never a strict calculation of instruction. The text box on that page outlines elements the regulations include, such as unpaid leave, and exclude, such as replacement faculty. These elements render the Chancellor's Office's faculty calculation different from our more suitable calculation of instruction. Our analysis of the four districts only serves to demonstrate the effect of these differences. On page 18, we explain that the unpredictable variation of the Chancellor's Office's faculty calculation across districts further demonstrates why the faculty calculation is not an accurate metric in the context of the state's goal for the percent of instruction by full-time faculty. (19)

The Chancellor's Office is correct that, when it allocated the full-time hiring funds to the districts, it did not require districts to track and report on the funds separately. We identify several ways this lack of accountability limits the usefulness of the funding. Specifically beginning on page 19 we describe how two of the districts we reviewed did not always use the funds properly and the other two could not provide adequate assurance that they had used the funds as intended. (20)

The Chancellor's Office claims that districts already report on their progress toward meeting the goal of 75 percent instruction by full-time faculty. However, as we discuss beginning on page 16 of the report, the current mechanism for monitoring this goal is unsuitable for that purpose. Therefore, districts should report on the goal using a suitable metric, which we recommend on page 5. (21)

We do not suggest that the Chancellor's Office "blindly recommend" any practice. In fact, our recommendation on page 6 is for the Chancellor's Office to regularly determine the most effective and feasible best practices for districts to implement and then update its multiple methods process to include those selected best practices. (22)

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FOOTHILL-DE ANZA
Community College District
Judy C. Miner, Ed.D.
Chancellor

February 2, 2023

Sent via encrypted link

California State Auditor*
621 Capitol Mall, Suite 1200
Sacramento, CA 95814

RE: Foothill-De Anza Community College District's formal response to the California State Audit 2022-113

To Whom It May Concern:

The District appreciates the opportunity to review the draft report and provide feedback. The District finds the use of the term "improper" unfairly characterizes the district's use of the first year of the full-time faculty funding, leading the typical reader of this report to assume improper intent. We respectfully request that term be modified or further clarified so as to more clearly reflect the district's good-faith use of funds at the time. Although written communications from the California Community Colleges Chancellor's Office indicated that the funds were for full-time hiring, verbal direction given by staff from the Chancellor's Office indicated that the 2018-19 full-time faculty funding could be used for any instructional purpose until full-time hiring could occur. Though we did reach out to the State Chancellor's Office with concerns about the timing of our permanent faculty hiring process, no guidance to the contrary was issued in 2021-22. Accordingly, the district maintains it acted in good faith to comply with State Chancellor's Office guidance sought at the time. ① ②

Further, we maintain that Foothill-De Anza used the funding as permitted and in the best interest of our students. The District would also like to reiterate our recommendation that more attention is paid to both the timing of the funds in relation to hiring cycles and the reporting and spending requirements of funds designated as restricted or general. In this case, the timing and manner in which funds were issued as part of the General Fund, but with tracking and reporting requirements more in line with restricted types of funds, was problematic in retrospect. Additional considerations, such as the lack of any ongoing COLA to support the continuation of the positions through future years, are problematic – particularly with undocumented guidance from the State Chancellor's Office, which is the agency responsible for allocation of the funding to districts. ③

Sincerely,

Judy C. Miner

Judy C. Miner, Ed.D.
Chancellor (minerjudy@fhda.edu)

* California State Auditor's comments begin on page 65.

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Comments

CALIFORNIA STATE AUDITOR'S COMMENTS ON THE RESPONSE FROM FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

To provide clarity and perspective, we are commenting on the response to our audit from Foothill-De Anza. Although we did not direct any recommendations to the individual community college districts we reviewed, we provided the districts an opportunity to review the draft report because we reference the districts multiple times for examples and perspective. The numbers below correspond to the numbers we have placed in the margin of the response.

As used in the report on page 20, the word "improper" describes Foothill-De Anza's use of the funds on part-time faculty costs but does not describe the intent of the district. On the same page, we provide the district's perspective that it used the funding in good faith for instructional purposes. However, as we state in the report, the Budget Act required districts to use the funds to hire new full-time faculty, and therefore, using the funds for another purpose was improper. ①

Undocumented verbal communications do not meet required standards for audit evidence. As we note on page 20, our review of the guidance issued by the Chancellor's Office showed that it provided clear direction that districts were expected to use the funds to hire new full-time faculty. ②

Our recommendation on page 5 to the Chancellor's Office to require reporting on the funds is intended to provide the additional oversight the district desires. As we note on page 20, such required reporting would allow the Chancellor's Office to monitor districts' use of the funds. ③